國立中興大學

109 學年度
碩士班考試入學招生

試　題

學系：行銷學系

科目名稱：經濟學

一、 單選題 (請清楚標明題號，每題3分)
　　　請於答案卷上作答，否則不予計分

1. The price of good A goes up. As a result, the demand for good B shifts to the left. From this we can infer that:
   A. good A is used to produce good B.
   B. good B is used to produce good A.
   C. goods A and B are substitutes.
   D. goods A and B are complements.

2. Assume that the current market price is below the market clearing level. We would expect:
   A. a surplus to accumulate.
   B. downward pressure on the current market price.
   C. upward pressure on the current market price.
   D. lower production during the next time period.

3. Gary Franklin is a movie critic. He invented the Franklin Scale with which he rates movies from 1 to 10 (10 being best). When asked about his scale, Mr. Franklin explained "that it is a subjective measure of movie quality. A movie with a ranking of 10 is not necessarily 10 times better than a movie with a ranking of 1, but it is better. A movie with a ranking of 5 is better than a movie with a ranking of 1, but is not as good a movie with a ranking of 10. That's all it really tells you." Based on Mr. Franklin's description, his scale is:
   A. ordinal but not cardinal.
   B. cardinal but not ordinal.
   C. an objective standard to judge movies.
   D. neither cardinal nor ordinal.

4. If X and Y are perfect substitutes, which of the following assumptions about indifference curves is not satisfied?
   A. Completeness.
   B. Transitivity.
   C. More is preferred to less.
   D. Diminishing MRS.

5. Suppose your utility function for food (F) and clothing (C) is u(F,C) = F + 4C. If you reduce your clothing consumption by 2 units, how much do you have to increase your food consumption in order to maintain the same utility level?
   A. 2 units.
   B. 4 units.
   C. 6 units.
   D. 8 units.

6. A Giffen good
   A. is always the same as an inferior good.
   B. is the special subset of inferior goods in which the substitution effect dominates the income effect.
   C. is the special subset of inferior goods in which the income effect dominates the substitution effect.
   D. must have a downward sloping demand curve.

7. The substitution effect of a price change for product X is the change in consumption of X associated with a change in
   A. the price of X, with the level of utility held constant.
   B. the price of X, with the level of real income not considered.
   C. the price of X, with the prices of other goods changing by the same percentage as that for product X.
   D. income, with prices of other goods held constant.

8. Suppose the price of rice increases and you view rice as an inferior good. The substitution effect results in a _____ change in rice consumption, and the income effect leads to a _____ change in rice consumption.
   A. positive, positive
   B. positive, negative
   C. negative, positive
   D. negative, negative

9. What is the shape of the total revenue curve derived from a horizontal demand curve?
   A. Horizontal
   B. Vertical
   C. U-shaped
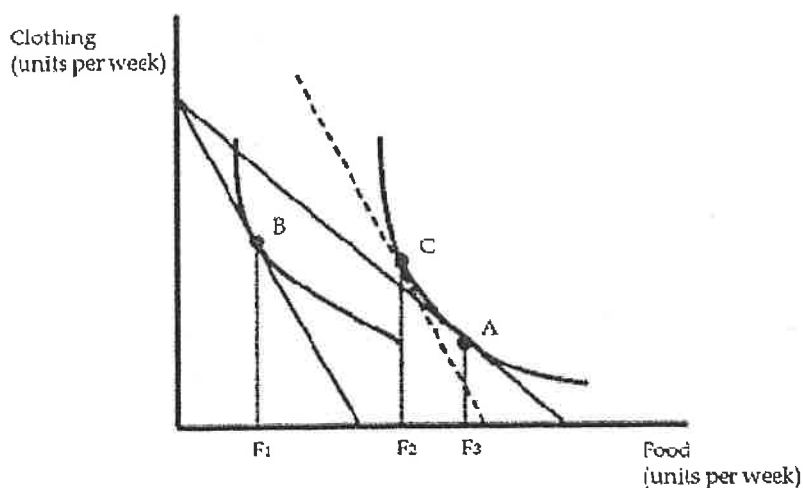   D. Upward sloping, with a positive slope

Figure 1

A consumer's original utility maximizing market basket of goods is shown in Figure 1 as point A. Following a price change, the consumer's utility maximizing market basket changes is at point B.

10. Refer to Figure 1. The substitution effect of the price change in food on the quantity of food purchased is:
    A. the change from F3 to F1.
    B. the change from F3 to F2.
    C. the change from F2 to F1.
    D. the change from F1 to F2.

11. Refer to Figure 1. The income effect of the price change in food on the quantity of food purchased is:
    A. the change from F3 to F1.
    B. the change from F3 to F2.
    C. the change from F2 to F1.
    D. the change from F1 to F2.

12. Based on Figure 1, food is:
    A. a normal good.
    B. an inferior good, but not a Giffen good.
    C. a Giffen good.
    D. none of the above

13. Aline and Sarah decide to go into business together as economic consultants. Aline believes they have a 50-50 chance of earning $200,000 a year, and that if they don't, they'll earn $0. Sarah believes they have a 75% chance of earning $100,000 and a 25% chance of earning $10,000. The expected value of the undertaking,
   A. according to Sarah, is $75,000.
   B. according to Sarah, is $110,000.
   C. according to Aline, is $200,000.
   D. according to Aline, is $100,000.

As president and CEO of MegaWorld industries, Natasha must decide on some very risky alternative investments. Consider the following:

Table 1

Project	Profit if Successful	Probability of Success	Loss if Failure	Probability of Failure
A	$10 million	.5	-$6 million	.5
B	$50 million	.2	-$4 million	.8
C	$90 million	.1	-$10 million	.9
D	$20 million	.8	-$50 million	.2
E	$15 million	.4	$0	.6

14. Refer to Table 1. Since Natasha is a risk-neutral executive, she would choose
   A. A.
   B. B.
   C. C.
   D. Either D or E.

15. Refer to Table 1. As a risk-neutral executive, Natasha
   A. is indifferent between projects D and E.
   B. prefers project E to project D, but do not necessarily consider E the best.
   C. prefers project E to all other projects.
   D. seeks the highest "profit if successful" of all the projects.

16. Farmer Jones bought his farm for $75,000 in 1975. Today the farm is worth $500,000, and the interest rate is 10 percent. ABC Corporation has offered to buy the farm today for $500,000 and XYZ Corporation has offered to buy the farm for $530,000 one year from now. Farmer Jones could earn net profit of $15,000 (over and above all of his expenses) if he farms the land this year. What should he do?
    A. Sell to ABC Corporation.
    B. Farm the land for another year and sell to XYZ Corporation.
    C. Accept either offer as they are equivalent.
    D. Reject both offers.

17. Suppose the government raises the price of cheese above the market equilibrium level (P_0) by imposing a high minimum price and purchasing all of the excess supply from the market, and these quantities are destroyed. Based on the areas in the figure below, what is the change in consumer surplus after this policy is adopted?
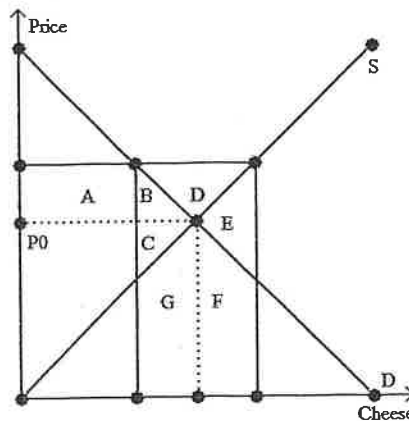
    A. Consumers lose area B.
    B. Consumers lose area A+B.
    C. Consumers lose area A but gain area B.
    D. Consumers gain area A+B.

18. The LM-curve becomes steeper if
    A. money demand becomes less interest sensitive.
    B. money demand becomes more interest sensitive.
    C. investment becomes more interest sensitive.
    D. investment becomes less interest sensitive.

19. In the AS-AD model with an upward-sloping AS-curve, a decrease in oil price will
    A. increase prices and output.
    B. decrease prices and increase output.
    C. increase prices and decrease output.
    D. decrease prices and output.

20. If the real exchange rate is equal to 1, then
    A. currencies are at purchasing power parity.
    B. the relative demand for domestically produced goods will rise.
    C. the relative demand for domestically produced goods will fall.
    D. foreign investors will try to buy more domestic assets.

二、 計算題 (請寫出過程，每小題10分)

1. Conigan Box Company produces cardboard boxes that are sold in bundles of 1000 boxes. The market is highly competitive, with boxes currently selling for $100 per thousand. Conigan's total and marginal cost curves are:
   $TC = 3,000,000 + 0.001Q^2$
   $MC = 0.002Q$
   where Q is measured in thousand box bundles per year.
   (1.) Calculate Conigan's profit maximizing quantity. Is the firm earning a profit?
   (2.) Analyze Conigan's position in terms of the shutdown condition. Should Conigan operate or shut down in the shortrun?

2. The supply and demand curves for corn are as follows:
   $Q_D = 3,750 - 725P$
   $Q_S = 920 + 690P$,
   where Q = millions of bushels and P = price per bushel.

   (1.) Calculate the equilibrium price and quantity that would prevail in the free market.
   (2.) The government has imposed a $2.50 per bushel support price. How much corn will the government be forced to purchase?