

100 學年度四年制二、三年級轉學生招生考試

四技二年級 工業工程與管理系

第三節 專業科目(二)經濟學 試題

第一頁 共三頁

注意事項：

1. 本試題共兩大題，配分共 100 分。
2. 請標明大題、子題編號作答，不必抄題。
3. 全部答案均須在答案卷之答案欄內作答，否則不予計分。

I. Choose the one alternative that best completes the statement or answers the question.

60%

1. The economic view of traffic congestion considers

- A) that drivers ignore the costs they impose on other drivers by slowing other drivers' commute time.
- B) that the amount of driving should be reduced.
- C) that driving is a right.
- D) that most drivers are not good defensive drivers.

2. In response to Japan's stagnant economy of the 1990s, economists designed policies to do all of the following except:

- A) accelerate deflation.
- B) stimulate business spending.
- C) make needed changes to the Japanese financial system.
- D) stimulate consumer spending.

3. Which of the following is a question answered with normative economic reasoning?

- A) If the college offers free parking for students, will more students drive to campus?
- B) Should the college cut tuition to stimulate enrollments?
- C) If the college increased tuition, would class size decline?
- D) If the college provided more financial aid assistance, would more students benefit?

Recall the Application about the value of the minimum wage between 1974 and 2005 and the impact inflation has on the real minimum wage to answer the following question(s). The following table is from the Application.

	2005	1974
Minimum wage per hour	\$2.00	\$5.15
Weekly income from minimum wage	\$80	\$206
Cost of a standard basket of goods	\$49	\$193
Number of baskets per week	\$1.63	\$1.07

4. Refer to the table above. What happened to the real value of the minimum wage between 1974 and 2005?

- A) It decreased.
- B) It increased.
- C) It remained the same.
- D) It could not be determined from the given information.

5. If you remove resources from factory production, the quantity of factory goods will:

- A) be diverted to other production.
- B) increase.
- C) remain the same but their price will decrease.
- D) decrease.

Recall the Application about the price of vanilla beans to answer the following question(s). In 2000, a cyclone destroyed the vanilla bean crop in Madagascar, the world's leading vanilla producer, and the replacement vines took 3 to 5 years to produce usable beans. By 2006, the replanted vines in Madagascar started to produce vanilla beans, but by that time several other countries had also entered the vanilla market. The price of vanilla beans went from \$50 per kilo to \$500 per kilo from 2000 to 2003, and from \$500 per kilo to \$25 per kilo from 2003 to 2006.

6. According to this Application, from 2003 to 2006, the price of vanilla beans decreased _____ percent.

- A) 25
- B) 45
- C) 50
- D) 95

Recall the Application about wind-generated electricity to answer the following question(s). Technological innovations have made wind-generated electricity more affordable. Between 2000 and 2006, the price of electricity generated from the wind decreased from 50 cents per kilowatt-hour to 4 cents per kilowatt-hour. During the same time period, the total megawatts of wind power in the U.S. increased from 620 to 9200.

注意：背面尚有試題

7. According to this Application, between 2000 and 2006, the price of electricity generated from wind power decreased from 50 cents per kilowatt-hour to 4 cents per kilowatt-hour. What is the percentage change in pricing from 2000 to 2006?

- A) 8
- B) 11.5
- C) 46
- D) 92

Recall the Application about Hurricane Katrina and housing prices to answer the following question(s). After Hurricane Katrina, about 250,000 New Orleans residents relocated to Baton Rouge, Louisiana, and as a result, housing prices in Baton Rouge rose from an average of \$130,000 for a single-family home to \$156,000 six months later. Just prior to the hurricane, 3600 homes were listed for sale in Baton Rouge, and a week after the hurricane only 500 homes were listed for sale.

8. According to this Application, an increase in the demand for homes in Baton Rouge would normally create, *ceteris paribus*,

- A) a decrease in their supply.
- B) a decrease in their quantity supplied.
- C) an increase in their supply.
- D) an increase in their quantity supplied.

9. Suppose that there are only three consumers of a product. At a price of \$3 per unit, the first consumer would buy 6 units of the product, the second consumer would buy 5 units, and the third consumer would buy 7 units of the product. If you drew a market demand curve for this product, the quantity demanded at a price of \$3 would be:

- A) 11 units.
- B) 13 units.
- C) 12 units.
- D) 18 units.

10. Suppose that the percentage change in supply is 20%, the price elasticity of demand is 3, and the percentage change in the equilibrium price is 4%. What is the price elasticity of supply?

- A) 0
- B) 4
- C) 2
- D) 5

11. If the demand curve facing a firm had a price elasticity of demand equal to zero and the firm raised its price, its total revenue would:

- A) fall to zero.
- B) decrease slightly.
- C) increase.
- D) not change.

12. A firm doubled all its inputs and experienced a 50% increase in output. If all input prices remain unchanged, the firm's long-run average cost exhibits:

- A) economies of scale at the current output level.
- B) diseconomies of scale at the current output level.
- C) a constant long-run average cost at the current output level.
- D) diminishing marginal returns at the current output level.

Table A

Number of Cakes	VC	MC	AVC	FC	TC	ATC
0				50		
1		30				
2						50
3			25			
4					155	

13. Table A presents the cost schedule for Candy's Cakes. If Candy produces three cakes, Candy's marginal costs are:

- A) \$41.67.
- B) \$0.
- C) \$75.
- D) \$25.

14. In long-run equilibrium for a competitive firm economic profits:

- A) may be positive, negative, or zero.
- B) will be positive.
- C) will be zero.
- D) will be negative

15. Alex's Furniture Mart produces and sells tables in a perfectly competitive market. When Alex's Furniture Mart produces and sells 250 tables, its marginal cost is equal to \$200, and AVC is rising. If the market price of tables is equal to \$150, Alex's Furniture Mart should:

- A) continue producing 250 tables.
- B) decrease its level of table production.
- C) raise the price of its tables.
- D) increase its level of table production.

16. Kevin's Golf-a-Rama sells golf balls in a perfectly competitive market. At its current level of golf ball production, Kevin has marginal costs equal to \$2. If the market price of golf balls is \$1, Kevin should:

- A) continue producing the current level of production.
- B) raise the price of its golf balls.
- C) increase the production of golf balls.
- D) decrease the level of golf ball production.

17. If average total cost > average variable cost > price, a profit maximizing firm in a perfectly competitive market should:

- A) shut down in the short run.
- B) continue to produce its current output level.
- C) increase its output level to minimize its loss.
- D) none of the above

18. A firm switching from a single price to a price discrimination scheme will _____ the price for the group of consumers with relatively elastic demand and _____ the price for the group of consumers with relatively inelastic demand.

- A) decrease; increase
- B) increase; decrease
- C) increase; increase
- D) decrease; decrease

19. If short-run economic profits are greater than zero for firms in a monopolistically competitive market, in the long run we expect:

- A) the demand curve for firms in the market to shift to the right.
- B) entry barriers to prevent competing firms from entering this market.
- C) competing firms to enter the market and sell similar products.
- D) profits to increase.

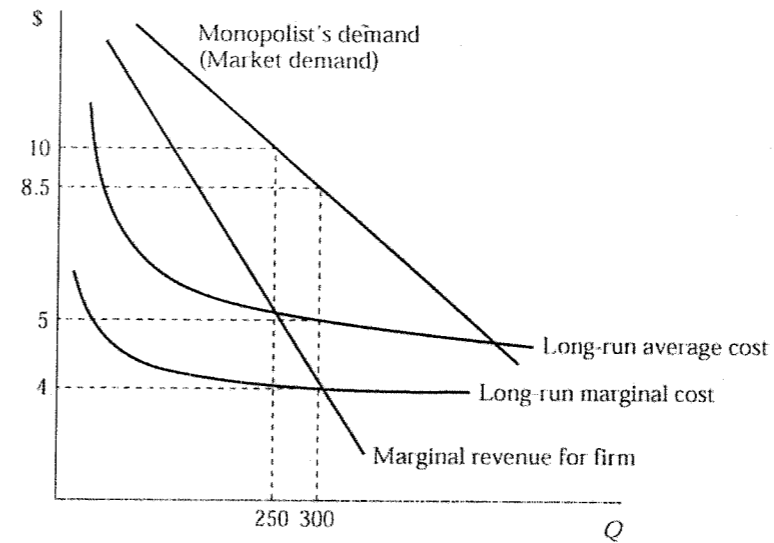


Figure 8.3

20. Figure 8.3 shows demand and costs for a monopolistically competitive firm. At the profit maximizing output level, the firm's profit is:

- A) \$1,200.
- B) \$1,050.
- C) \$750.
- D) \$375.

II. Short Answers. 40%

1. Suppose that A Cleaner World invents a new type of laundry detergent that has an ingredient that stops stains from setting into clothes. If the laundry detergent market is monopolistically competitive, explain what will happen to the price of its product in the short run. What will happen in the long run? 10%
2. Explain what is meant by predatory pricing, and the inherent difficulties involved with predatory pricing from a firm's point of view. 10%
3. Assuming that labor is the only variable input with a fixed production facility, explain the relationship between the marginal product of labor and the marginal production cost. 10%
4. Different people eat different amounts of food when they go to buffet restaurants, even though they all pay the same price. Explain how this relates to the marginal principle. 10%

