

**MULTIPLE CHOICE.**

Choose the one alternative that best completes the statement or answers the question. (2.5 points/question)

- 1) Business cycle persistence refers to the property that
  - A) booms and recessions last a long time.
  - B) when real GDP is above trend, it tends to stay above trend, and when it is below trend, it tends to stay below trend.
  - C) real GDP is rarely exactly at trend.
  - D) business cycles are persistently hard to predict.
  
- 2) Forecasting the future path of real GDP by exploiting past statistical relationships
  - A) can be accomplished by the construction and use of an index of lagging variables.
  - B) can be accomplished by the construction and use of an index of coincident variables.
  - C) can be accomplished by the construction and use of an index of leading variables.
  - D) is never very reliable.
  
- 3) Percentage deviations from trend in the Solow residual are
  - A) procyclical and have about equal magnitude as percentage deviations from trend in GDP.
  - B) procyclical and larger than percentage deviations from trend in GDP.
  - C) unrelated to the business cycle.
  - D) procyclical and smaller than percentage deviations from trend in GDP.
  
- 4) If  $w_e$  represents a two-period consumer's lifetime wealth and  $r$  denotes the real rate of interest, the vertical (future consumption) intercept of the consumer's budget line is equal to
  - A)  $(1+r)w_e$ .
  - B)  $\frac{w_e}{(1+r)}$ .
  - C)  $\frac{(1+r)}{w_e}$ .
  - D)  $w_e$ .
  
- 5) When different consumers pay different amounts of taxes, Ricardian equivalence may fail because
  - A) alternative ways of collecting the same tax revenue can affect the distribution of income.
  - B) higher taxes on more talented people may be politically popular.
  - C) such differences in taxes create credit market imperfections.
  - D) consumers can become jealous of one another.
  
- 6) Any increase in the present value of taxes for the consumer implies
  - A) an increase in lifetime wealth and a decrease in current labor supply.
  - B) a decrease in lifetime wealth and an increase in current labor supply.
  - C) an increase in lifetime wealth and an increase in current labor supply.
  - D) a decrease in lifetime wealth and a decrease in current labor supply.
  
- 7) A temporary increase in government spending that leads to only a small decline in lifetime wealth likely shifts the aggregate demand curve to the
  - A) left by more than the leftward shift in aggregate supply.
  - B) left by less than the leftward shift in aggregate supply.
  - C) right by less than the rightward shift in aggregate supply.
  - D) right by more than the rightward shift in aggregate supply.

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98 學年度 經濟學 系(所) \_\_\_\_\_ 組碩士班入學考試

科目 總體經濟學 科目代碼 4402 共 4 頁第 2 頁 \*請在【答案卷卡】內作答

- 8) In the Friedman-Lucas money surprise model, a surprise increase in the money supply
- increases the price level less than in proportion to the increase in the money supply.
  - increases the price level in an equal proportion to the increase in the money supply.
  - increases the price level ~~more~~ than in proportion to the increase in the money supply.
  - has no effect on the price level.
- 9) Using the Keynesian model, the effect of a government-imposed ceiling on interest rates paid on personal checking accounts that is lower than the current market interest rate would be to cause \_\_\_\_\_ in the real interest rate and \_\_\_\_\_ in output in the short run.
- a decrease; a decrease
  - an increase; a decrease
  - a decrease; an increase
  - a decrease; no change
- 10) Suppose the real money demand function is
- $$M^d/P = 2400 + 0.2 Y - 10,000 (r + \pi^e).$$
- Assume  $M = 5000$ ,  $\pi^e = .03$ , and  $Y = 5000$ . If the price level were to decrease from 2.5 to 2.0, then the real interest rate would decrease by how many percentage points (assuming  $M^d$ ,  $\pi^e$ , and  $Y$  are unchanged)?
- 4
  - 14
  - 9
  - 5
- 11) If a French company exports \$2 million of machinery to Italy and French tourists spend \$2 million at Italian beaches, the Italian current account balance \_\_\_\_\_, and the Italian capital and financial account balance \_\_\_\_\_.
- rises; is unchanged
  - is unchanged; rises
  - rises; rises
  - is unchanged; is unchanged
- 12) A large country imposes capital controls that prohibit foreign borrowing and lending by domestic residents. The country is currently running a capital and financial account surplus. The imposition of the capital controls will cause
- real world interest rates to rise.
  - real domestic interest rates to rise.
  - desired national saving to fall.
  - net exports to decrease.
- 13) Which of the following machines has the lowest user cost? Machine A costs \$15,000 and depreciates at a 25% rate, machine B costs \$10,000 and depreciates at a rate of 20%, machine C costs \$20,000 and depreciates at a rate of 10%, and machine D costs \$17,000 and depreciates at a rate of 11%. The expected real interest rate is 5%.
- Machine C
  - Machine B
  - Machine A
  - Machine D
- 14) Suppose your company is in equilibrium, with its capital stock at its desired level. A permanent increase in the depreciation rate now has what effect on your desired capital stock?
- Lowers it, because the user cost of capital is now higher
  - Raises it, because the future marginal productivity of capital is higher
  - Raises it, because the user cost of capital is now lower
  - Lowers it, because the future marginal productivity of capital is lower
- 15) How many people are unemployed if the employment ratio is 75%, there are 90 million people employed, and there are 20 million people not in the labor force?
- 20 million
  - 10 million
  - 0 million
  - 5 million

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16) Suppose the real money demand function is

$$M^d/P = 2400 + 0.2 Y - 10,000 (r + \pi^e).$$

Assume  $M = 5000$ ,  $P = 2.0$ , and  $\pi^e = .03$ . If  $Y$  were to increase from 4000 to 5000, then the real interest rate would increase by how many percentage points?

- A) 5                      B) 4                      C) 7                      D) 2

17) Real domestic interest rates would increase in a large open economy if

- A) the government imposed capital controls and the capital and financial account had been in deficit.  
B) there were a temporary negative domestic supply shock.  
C) foreigners were more willing to save.  
D) there were a temporary negative supply shock abroad in a small open economy.

18) The uses-of-saving identity shows that if the government budget deficit rises, then one of the following must happen.

- A) Private saving must rise, investment must fall, and/or the current account must rise.  
B) Private saving must rise, investment must fall, and/or the current account must fall.  
C) Private saving must fall, investment must rise, and/or the current account must rise.  
D) Private saving must rise, investment must rise, and/or the current account must fall.

19) Suppose that private saving is \$1590 billion, investment is \$1945 billion, and the current account balance is -\$489 billion. From the uses-of-saving identity, how much is government saving?

- A) \$134 billion              B) \$844 billion              C) -\$134 billion              D) -\$844 billion

20) Suppose Japan is currently running a current account surplus. The most effective way of eliminating this current account surplus would be to temporarily \_\_\_\_\_ government purchases and \_\_\_\_\_ the domestic money supply.

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

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1. (25 分) 假設在其他條件不變的情形下，政府提高失業給付的金額。請問這項措施有何可能的利弊？請問這項措施對勞動市場有何可能的影響？
2. (25 分) 假設政府的購買支出在今年增加 3600 元(這是以總人口平減後的數字)，並假設政府將在未來 20 年內平均每年增加稅收若干元，以便融通今年政府支出增加的部份。請問政府的這項財政政策對今年的國民所得與物價水準有何影響？(為簡化分析，假設經濟體系內所有的市場均為完全競爭，也沒有市場失靈。)