

# 國立中央大學八十六學年度轉學生入學試題卷

1. If a shift of the supply curve to the right cause a 6 percent decrease in price and a 5 percent increase in quantity demanded, what would be the price elasticity of demand? (10%)

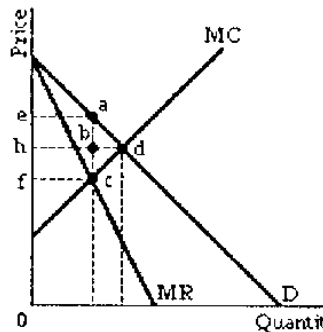
2. Draw an indifference curve for perfect complements. (10%)

3. The demand schedule for audio tapes is shown below. If the actual price is \$7, what is total consumer surplus? (10%)

Price	\$10	\$9	\$8	\$7	\$6
Quantity	1	2	3	4	5

4. Consider the industry demand curve in Fig. 1. Explain which area in the diagram indicates the deadweight loss from a perfect price discriminating monopoly. (10%)

Fig. 1



5. The table below gives the payoff matrix in terms of profit for firms A and B when there are two strategies facing each firm: (1) charge a low price, or (2) charge a high price. In equilibrium, how much profit will firm A make? (15%)

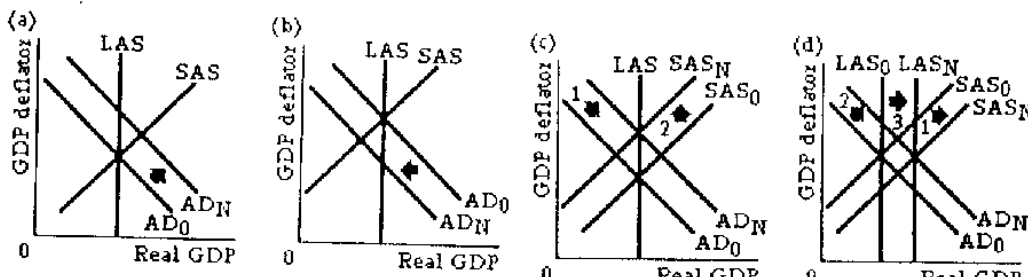
firm	firm B	
	low price	high price
A	low price	A: \$2 B: \$5
	high price	A: -\$10 B: \$25
		A: \$20 B: -\$15
		A: \$10 B: \$20

6. The table below provides some data about the economy of Camelot. What is the government purchase multiplier for Camelot? (15%)

Marginal propensity to consume	0.9
marginal tax rate	0.1
marginal propensity to import	0.1

7. Suppose that the consumption function is  $\$600 + 0.8(\text{real GDP})$  and aggregate expenditure function is  $\$1000 + 0.5(\text{real GDP})$ . If full employment GDP is \$3000 and government wants to maintain full employment and a balanced budget, should it increase or decrease government purchases and taxes, by how much? (15%)

8. Which of the following diagrams depicts only the short-run effect of an increase in the money supply? Explain your reason. (15%)



1  
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3  
4  
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