

淡江大學 95 學年度碩士班招生考試試題

10/1

系別：經濟學系

科目：總體經濟學

准帶項目請打「√」
簡單型計算機

本試題共 12 頁

請按題號順序作答，否則不予計分。

(20 points) #1. Suppose that the economy can be described by the following system of equations and parametric values:

Consumption:	$C = 100 + 0.5Y^d - 5r$, with $Y^d = Y - \text{Taxes}$
Investment:	$I = 200 - 15r$
Government	
Spending:	$G = 200$
Taxes:	$T = 40 + 0.20Y$
Net Exports:	$NX = 100 - .20Y$
Real Money Demand:	$(M)^d = 0.80Y - 20r$
Real Money Supply:	$(M)^s = 500$

where we assume the price level $P = 1$ is fixed

Answer each of the following questions: (Show all work – Circle your answer)

- (A) Calculate the level of **equilibrium income** Y^e
- (B) Calculate the equilibrium level of **interest rates** r^e
- (C) Calculate the equilibrium level of **monetary velocity**.
- (D) Calculate the equilibrium **government budget surplus**(or deficit).
- (E) Calculate the equilibrium **trade surplus** (or deficit).

(20 points) #2. Suppose that the aggregate production function of an economy can be written as

$$Y = 200L^{0.5}K^{0.5}$$

Answer the following questions: (Show all work – Circle your answer)

- (A) If $K = 1$, then what is the **demand for labor function**?
- (B) If the supply of labor $L^s = (W/P)^2$ and $K = 1$, then the **equilibrium real wage** is equal to what?
- (C) If prices and wages are flexible and $K = 1$, then the **full employment output level** is equal to what?
- (D) Let $K = 1$ and suppose fixed $W = 25$ with $P = 1$, then the **aggregate output supplied** is equal to how much?
- (E) Let $K = 1$ and suppose fixed $W = 25$ and $P = 1/4$, then the **aggregate output supplied** is equal to how much?

本試題雙面印製

淡江大學 95 學年度碩士班招生考試試題

12/2

系別：經濟學系

科目：總體經濟學

准帶項目請打「V」	
	簡單型計算機

本試題共 2 頁 - 2

(20 points) #3. Briefly answer the following questions about inflation:

- (A) Given a price index P_t , what is the exact formula for calculating inflation?
- (B) Why do economists feel inflation is bad?
- (C) Explain the relation between inflation and real money demand.
- (D) What is "the Phillips Curve"?
- (E) What causes hyperinflation?

(20 points) #4. Answer both questions using IS-LM and balance of payments curves.

- (A) Explain why that monetary policy is very ineffective when the economy is on fixed exchange rates.
- (B) Explain why that fiscal policy is very ineffective when the economy is on flexible exchange rates.

(20 points) #5. Answer the following two questions on unemployment

- (A) Many economists have argued that there is a "natural rate of unemployment". How can we define the natural rate of unemployment.
- (B) What factors affect the natural rate of unemployment?