1. The fallacy of composition is
   A) the (false) statement that what is true of the parts is true of the whole or what is true of the whole is true of the parts.
   B) the error of reasoning that a first event causes a second event because the first event occurred before the second event.
   C) an expression that means “other things being equal.”
   D) a statement about the way the economic world ought to be.

2. During the last decade, the price of shoes rose substantially yet people bought more pairs of new shoes each year. This experience suggests that
   A) the supply curve of shoes shifted leftward.
   B) the demand curve for shoes shifted leftward.
   C) the supply curve of shoes shifted rightward.
   D) the demand curve for shoes shifted rightward.

3. Peter is training to become a chef. The skills she is obtaining from her training and education will increase what type of resource?
   A) Land
   B) Physical capital
   C) Entrepreneurship
   D) Human capital

4. Education at a private university is NOT a pure public good because it is
   A) nonrival.
   B) excludable.
   C) both nonrival and nonexcludable.
   D) None of the above answers are correct.
5. In the above figure, the straight line between the lower left corner and the upper right corner shows
A) perfect equality in income distribution.
B) perfect inequality in income distribution.
C) that wealth rises as income rises.
D) that household size rises as income rises.

6. Which of the following is NOT one of the basic preconditions for economic growth?
A) Markets
B) Property rights
C) Investment in human capital
D) Monetary exchange

7. In an economy with no international sector and no taxes, the government purchases multiplier equals
A) \( \frac{1}{1 - MPC} \).
B) \( \frac{1}{MPC} \).
C) \( \frac{MPC}{1 - MPC} \).
D) \( \frac{1 - MPC}{MPC} \).

8. When the \( AD \) and \( SAS \) curves intersect at a level of real GDP which exceeds potential GDP, which of the following will occur?
A) The \( AD \) curve shifts rightward because the Fed decreases the money supply.
B) The \( AS \) curve shifts leftward because the money wage rate rises.
C) The \( AS \) curve shifts leftward because the money wage rate falls.
D) The \( AD \) curve shifts leftward because the money wage rate rises.

9. Stagflation is associated with
A) cost-push inflation.
B) demand-pull inflation.
C) both types of inflation.
D) neither, it is a different concept altogether.
10. In the figure above, the economy is initially at point A. Which point best represents the short-run response to a decrease in investment expenditures, according to Keynesian theory?
A) B
B) C
C) D
D) E

11. In the above figure, the economy experiences an unanticipated decrease in aggregate demand so that the aggregate demand curve shifts from $AD_0$ to $AD_1$. If the Central Bank is following a Keynesian feedback rule, it would ____.
A) purchase bonds on the open market
B) sell bonds on the open market
C) lower taxes
D) increase government purchases

12. In the real business cycle framework, a technology shock that increases investment demand leads to a
A) higher equilibrium level of saving and a higher equilibrium real interest rate.
B) higher equilibrium level of saving and a lower equilibrium real interest rate.
C) lower equilibrium level of saving and a higher equilibrium real interest rate.
D) lower equilibrium level of saving and a lower equilibrium real interest rate.

13. The growth in real GDP and the inflation rate are
A) closely related in less developed nations but not developed ones.
B) closely related in the long run.
C) closely related in the short run and long run.
D) largely unrelated in the long run.
14. Frictional unemployment includes:
A) unemployment caused by normal labor turnover associated with people leaving and entering the labor force.
B) unemployment caused by industries moving overseas to better meet foreign competition.
C) unemployment caused by a lack of education so that workers do not possess necessary job skills.
D) unemployment caused by automation of the workplace that displaces unskilled workers.

15. In the above figure, suppose that the economy is at point A with a fully anticipated inflation rate of 6 percent. If the Central Bank increases the quantity of money so that aggregate demand increases and if this change is unanticipated by the public, the result will be:
A) the economy stays at point A.
B) the economy moves to point B.
C) the economy moves to point C.
D) the economy moves to point D.

16. If consumption expenditures are $500 million, net investment is $100 million, depreciation equals $5 million, imports are $50 million, exports are $55 million, government purchases of goods and services is $220 million, and government transfer payments are $20 million, then GDP is:
A) $790 million.
B) $800 million.
C) $830 million.
D) $850 million.

17. Country A and country B both consume and produce only food and clothing. Both countries use only labor to produce these two products. A worker in country A can produce 6 units of clothing or 10 units of food each day while a worker in country B can produce 4 units of clothing or 8 units of food. Which of the following statements is true?
A) The opportunity cost of clothing production in country A is greater than that of country B.
B) The opportunity cost of food production in country A is greater than that of country B.
C) The opportunity cost of food production in country A is the same as that of country B.
D) The opportunity cost of clothing production in country B is less than that of country A.
18) In the above figure, flow $E$ represents ____.
A) household borrowing.
B) government borrowing.
C) net taxes.
D) government lending.

19. In the figure above, both Peru and Chile are on their production possibilities frontiers at point $A$ on each frontier. Calculate Chile’s opportunity cost of producing another ton of beans.
A) $3/10$ ton of cotton per ton of beans
B) $3/5$ ton of cotton per ton of beans
C) $6/5$ ton of cotton per ton of beans
D) $9/10$ ton of cotton per ton of beans
20. Rational expectations theories of the business cycle predict that an unanticipated increase in aggregate demand will
A) create an expansion, just as an anticipated increase in aggregate demand would.
B) create an expansion, whereas an anticipated increase in aggregate demand would not.
C) Either answer A or B could be true, depending on whether new classical or new Keynesian assumptions are held.
D) Neither new classical nor new Keynesian theories would predict answers A or B, so both answers are incorrect.

(二)若油品市場只有中油及台塑兩家廠商，其需求分別為

\[ D_1: P_1=260-2q_1 \quad q_2 \quad D_2: P_2=260-2q_2 \quad q_1 \] 

其成本函數皆為 \( TC=20 q \)

請分別求解下列問題：

1. Cournot 模型下的均衡解。（10分）

2. Stackelberg 模型下，中油為領導者，台塑為跟隨者之均衡解。（10分）

3. 中油與台塑勾結之均衡解。（10分）

(三)假設您目前在離海拔 3,000 公尺高的合歡山經營小吃店，試問您要如何訂價才能提高經營小吃店的利潤，請從價格、總收益及需求彈性的角度加以論述之。（10分）

——考試結束，以下空白——