

經濟學競試

April 2017

Solution

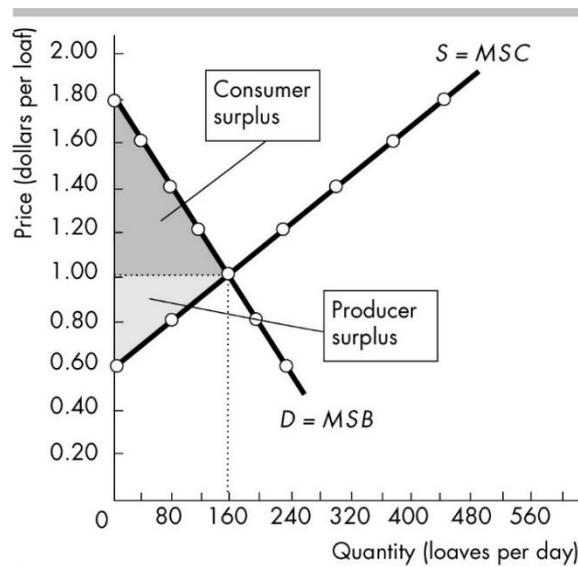
Multiple Choices [75pts, 3pts each]

1) D	2) B	3) D	4) C	5) A
6) A	7) C	8) D	9) D	10) C
11) C	12) C	13) C	14) C	15) A
16) D	17) D	18) A	19) E	20) E
21) B	22) D	23) A	24) D	25) B

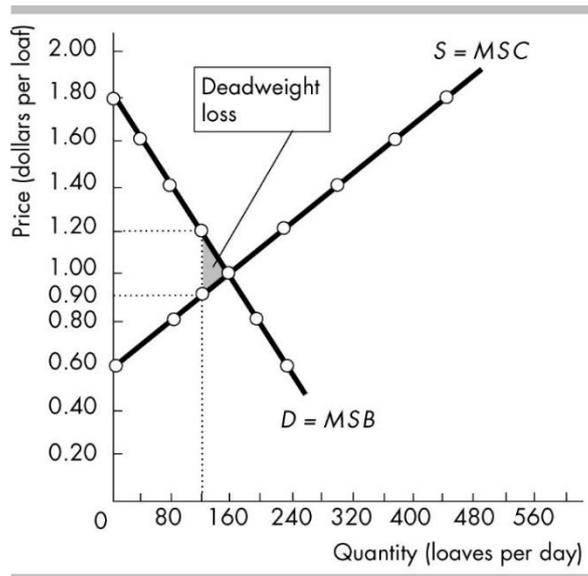
Short Questions [25pts]

1.

- a) The efficient quantity of bread is 160 loaves per day. When 160 loaves per day are produced (\$1.00), the quantity demanded (marginal social benefit) equals the quantity supplied (marginal social cost).



- b) If the market is efficient, 160 loaves of bread are sold and bought at \$1.00 per loaf. Consumer surplus is the value that consumers receive minus the price they pay summed over the quantity bought. Thus consumer surplus is the area of the indicated triangle, which equals $1/2 \times (\$1.80 - \$1.00) \times 160 = \$64$.
- c) Producer surplus is the price of bread minus the marginal cost of producing it, summed over the quantity sold. Thus producer surplus is the area of the indicated triangle, which equals $1/2 \times (\$1.00 - \$0.60) \times 160 = \$32$.



- d) The efficient quantity of bread is 160 loaves per day because when 160 loaves per day are produced, the marginal social benefit, \$1.00, equals the marginal social cost, \$1.00. If 120 loaves per day are sold, the marginal benefit exceeds the marginal cost and therefore this level of output is not efficient. As the figure above shows, the deadweight loss is the area of the triangle and equals $\frac{1}{2} \times (\$1.20 - \$0.90) \times (160 - 120)$, which is \$6.

2.

- $(\$2.00 - \$0.15)/\$0.15 \times 100 = 1,233\%$.
- $(\$23.09 - \$3.36)/\$3.36 \times 100 = 587\%$.
- In 1970: $\$0.15/(\$3.36/60) = 2.7$ minutes. In 2011: $\$2.00/(\$23.09/60) = 5.2$ minutes.
- Workers' purchasing power in terms of newspapers fell.