

科目：總體經濟學

適用：經濟系三

考生注意：

1. 依次序作答，只要標明題號，不必抄題。
2. 答案必須寫在答案卷上，否則不予計分。
3. 限用藍、黑色筆作答；試題須隨卷繳回。

本 試 題

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編號： 722

1) Within the context of Mundell-Fleming model with a floating exchange rate system, do you prefer an expansionary monetary policy over fiscal policy in the short run? (5%) Please illustrate your answer graphically (10%) and intuitively (10%). Be sure to label all relevant information and use the definition of nominal exchange rate in terms of foreign currency per unit domestic currency.

2) Suppose that country Alpha has a production function $Y = A(K^{0.3})(L^{0.7})$, capital to output ratio is 3, output growth rate is 3%, population growth rate is 0%, and depreciation rate is 4%.

- a. What is Alpha's marginal product of capital? (6%)
- b. What is Alpha's saving rate in steady state? (6%)
- c. What is Alpha's marginal product of capital to achieve the golden rule? (6%)
- d. What is Alpha's saving rate to achieve the golden rule? (7%)

3) Within the context of Irving Fisher's two period model with the assumption that consumption in both periods is a normal good, please explain graphically (12%) and intuitively (13%) how a household, a saver initially, reacts to a tax cut in period one without considering the repayment of this cut.

4) Please use the quantity theory of money and the Fisher equation to explain why fast money increases interest. (25%)