

الدورة العادية للعام 2011	امتحانات الشهادة الثانوية العامة الفرع : إجتماع و إقتصاد	وزارة التربية والتعليم العالي المديرية العامة للتربية دائرة الامتحانات
الاسم: الرقم:	مسابقة في مادة الإقتصاد المدة ثلاث ساعات	

Part One: Obligatory set

Using concepts and techniques (7 points)

1- A given state decides to buy the crops at guaranteed prices in order to support the farmers' income. Yet, this State decides also to sell these crops at the guaranteed price.

1.1- Specify the category (economic agent) that will be negatively affected by the implementation of this decision. (0.5 point)

1.2- Specify the direct negative economic consequence of this decision. (0.5 point)

2- Justify each of the following statements: (2 points)

2.1- Decreasing the required reserve rate imposed on Commercial Banks contributes on one hand, to achieving economic Growth and, on the other hand, to monetary inflation.

2.2- Increasing spending on research contributes to economic growth.

3- Suppose that the quantity demanded for good "C" decreased from 80 to 40 units when the price of the good "D" increased from 60 m.u. to 120 m.u.

3.1- Calculate the cross price elasticity and determine the relation between these two goods. Justify your answer. (1 point)

3.2- Calculate the anticipated (expected) elasticity of good "D" in case the consumer expects a change in price from 120 m.u. to 150 m.u. and then analyze the consumer behavior. (1 point)

4- The following data is given for an enterprise:

Fixed Costs = 50 m.u. Variable Costs = $0.8q^2 + 30q$

Calculate the total cost, the average cost and the marginal cost for a production, $q=10$ units. (1 point)

5- The Director of the production department in an enterprise, Mr. Jamil decides to motivate one of the workers, Mr. Walid by delegating to him some of his prerogatives. However, Mr. Walid makes mistakes and the result is negative.

5.1- Indicate the type of this decision. Give one justification to your answer. (0.5 point)

5.2- Name the type of motivation adopted by the Director of the production department. (0.25 point)

5.3- Determine the person who should be held responsible of the mistakes. (0.25 point)

Part Two: Choose one of the following sets

First choice set: Analyzing documents (12 points)

Document no.1:

The governor of the Central Bank warned about the negative effect of the current political crisis on the economic growth and the volume of the debt with respect to the gross domestic product. Salamé has also mentioned that if the crisis lasts too long, it will also have a negative effect on tourism which will result in an increase in the unemployment rate while the purchasing power is already affected by the international increase in prices of necessity goods, especially food and gas (...)

Moody's has also mentioned a decrease of economic growth in Lebanon to 5% while it had attained 7 to 8% in 2010. In other statements, Salamé also clarified that the Central Bank could maintain the stability of the Lebanese Lira (...)

The Lebanese public debt was 148% of the gross domestic product in 2009.

Source: Economics page of www.aljazeera.net 18/01/2011, (adapted)

Document no.2: Increase of the inflation rate and of the Lebanese public debt by 2.8%

Beirut: The price index of consumption goods has increased by 6.19% during the last month of December; which has resulted in an increase of inflation and of the Lebanese public debt by 2.8%. The data of the Central Administration of Statistics has shown an annual increase of the price index of consumption goods to 133.68 points also during December, while it was 125.89 points at the same period of the previous year. Furthermore, the statistics published by the Saudi Press Agency reflect a moderate increase of the inflation rate of the Lebanese economy.

Source: economic page of www.moheet.com, (16/2/2011)

Document no.3: Increase of the unemployment rate in Lebanon in 2011

An official report indicates that the unemployment rate of youth in Lebanon has increased because of the difficult economic situation. It is mentioned in this same report, prepared by the Lebanese Ministry of Labor and published by the Saudi Press Agency that the unemployment rate was above 16% by the end of 2010 and more than 50% for the youth entering the Labor Market, which is pushing them toward emigration or disguised unemployment. The report also clarified the need to create between 30 to 50 thousand job offers in the Labor market while 12 to 14 thousand offers will be available in 2011, mostly in the private sector since public administration have stopped recruiting except in the military corps.

Source: 2011 شباط الإعلام العربية، شبكة الإعلام العربية - www.moheet.com (adapted)

Referring to the documents, answer the following questions:

1- Referring to document no.1:

1.1- Extract three negative effects of the Lebanese political crisis. (0.75 point)

1.2- Specify which stage of the economic cycle Lebanon is going through and justify your answer (0.75 point)

2- It is mentioned in document no.1 that “the Central Bank could maintain the stability of the Lebanese Lira”. Specify one direct positive consequence of this stability. (1 point)

3- Referring to document no.3:

3.1- Deduce the type of unemployment existing and justify your answer by a proof from the document.(1 point)

3.2- Name the policy needed by the Lebanese Labor Market and reflected by the document. Evaluate this policy. (1 point)

4- Extract from document no.2 the reason why public administrations have stopped recruiting. (1 point)

5- Show how the increase in the price index of consumption goods, mentioned in document no.2 contributes in increasing the social problem in document no.3. (1.5 points)

6- Two economic problems and a financial problem are mentioned in the documents. In the form of a text:

- suggest • an adequate economic policy to overcome the two economic problems mentioning three measures of this policy

• an adequate policy to overcome the financial problem mentioning two measures of this policy

- show the relation between the measures and the targeted results. (5 points)

Second set: Studying an economic subject (12 points)

Document:

The United Nations Member States put the third millennium document designed to improve the social status and raising living standards in a climate of greater freedom.

The document contains eight goals for development, including:

1- Achieving generalization of elementary education

2- Reducing child mortality

3- Develop an international partnership for development

- Develop an open trading and financial system

- Treat the debt problems of developing countries comprehensively, through national and international measures in order to make them bear the long-term debt.

- Develop and implement strategies for the youth in order to create decent and productive employment opportunities.

Source: نهوض لبنان نحو رؤية اقتصادية اجتماعية

Referring to the above document and to your own information discuss the goals mentioned through:

- Naming the appropriate policy to achieve the first two goals

- Mentioning 2 measures to achieve each one of the first two goals

- Specifying three solutions to attain the third goal

- Explaining the importance of achieving all of these goals and its impact on the economic and social levels.

Remark. Clear and neat presentation (0.5 point) – Readable handwriting (0.25 point) - Style (0.25 point)

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الاسم: الرقم:	مسابقة في مادة الاقتصاد المدة ثلاث ساعات	مشروع معيار التصحيح

Part of the Q	Answer	Mark
1.1	Consumers or households	0.5
1.2	Increase of agricultural prices	0.5
2.1	<p>↓required reserve rate →↑capacity of giving loans →↑liquidity (0.25) →↑purchasing power →↑demand on consumption(0.25) →↑investment →↑production →↑growth</p> <p>↓required reserve rate →↑capacity of giving loans →↑liquidity(0.25) →↑purchasing power →↑demand more than supply(0.25) →↑price →↑inflation</p> <p>or</p> <p>↓required reserve rate →↑capacity of giving loans →↑liquidity(0.5) →↑inflation</p> <p>It is not necessary to give the answer in the form of a sequence</p>	1
2.2	<p>↑ spending on research →↑innovation →↑productivity (0.5) →↑competitiveness (0.25) →↑demand on consumption →↑investment (0.25) →↑production →↑growth</p> <p>or</p> <p>spending on research →↑innovation →↑productivity (0.5) →↑GDP(0.5) →↑growth</p>	1
3.1	<p>$E_{p_C/p_D} = (\Delta D_C / D_C) / (\Delta p_D / p_D) = -0.5$ (0.5)</p> <p>$0.5 < 0$ (0.25)</p> <p>Complementary goods (0.25)</p>	1
3.2	<p>anticipated elasticity = $(\Delta \text{anticipated price} / \text{anticipate price}) / (\Delta \text{actual price} / \text{actual price})$ (0.25 pt)</p> <p>= 0.25 (0.25 pt)</p> <p>$0.25 < 1$ (0.25 pt)</p> <p>The consumer expects a decrease in prices in the future: thus, he will postpone buying. (0.25 pt)</p> <p>or</p> <p>$\Delta \text{anticipated price} / \text{anticipate price} = 0.25$ (0.25 pt)</p> <p>$\Delta \text{actual price} / \text{actual price} = 1$ (0.25 pt)</p> <p>$0.25 < 1$ (0.25 pt)</p> <p>The consumer expects a decrease in prices in the future: thus, he will postpone buying. (0.25 pt)</p>	1
4	<p>TC= 430 m.u. (0.5 point)</p> <p>VC=43 m.u. (0.25 point)</p> <p>MC=46 m.u. (0.25 point)</p>	1
5.1	<p>Tactic decision (0.25 point)</p> <p>Department level (0.25 point)</p>	0.5
5.2	moral incentive	0.25
5.3	director of production department (Mr. Jamil)	0.25

Part of the Q	Answer	Mark
1.1	<ul style="list-style-type: none"> - negative effect of the current political crisis on the economic growth and the volume of the debt with respect to the gross domestic product. - a negative effect on tourism - an increase in the unemployment rate 	0.75
1.2	<p>Recession (0.25 point)</p> <p>Economic growth rate decreased from 8% to 5% (0.25 point)</p>	0.75
2	<p>Maintain purchasing power</p> <p>or</p> <p>Avoid inflation or the increase of inflation</p> <p>or</p> <p>Increase in the savings in LL</p>	1

	or avoid devaluation of local currency	
3.1	Conjectural or cyclical (0.5 point) caused by the difficult economic situation (0.5 point)	1
3.2	Policy of job creation (0.5 point) Positive result: Decrease of unemployment (0.25 point) & negative result : contributes to public deficit or increase in public expenditures (0.25 point)	1
4	Increase in public debt	1
5	↑price index of consumer goods →↓purchasing power →↓ Demand for consumption (0.5) →↓ Investment (0.5) →↓job opportunity → unemployment (0.5)	
6	To solve 2 economic problems : Economic reform-supply sided (0.5 point) Measures : (0.5 point for each measure) - Fight inflation - Any other measure to decrease costs - create a competitive environment or improve competitiveness • Decrease of production costs & increase productivity→ ↑competitiveness →↑Demand on national production →↑investment →↑ production → ↑growth (0.5 point) •Decrease of production costs→↓prices→↓inflation (0.5 point) To solve financial problem : Privatization (0.5 point) Measures : BOO & BOT (0.5 for each measure) These measures contribute in decreasing government expenditures because the private sector is now taking care of expenses. These privatized enterprises also generate revenues for the State; thus public deficit and debt decrease. (0.5 point) or financial policy through decreasing public expenditures and increasing direct taxes.	5

Part of the Q	Answer	Mark
1	Introduction : <u>Methodology</u> (1 point): Mention an adequate and coherent issue (“problematique”) and announce the plan which will be detailed in the body. <u>Content</u> : 1 point for stating the issue which will be discussed et 1 point for announcing the plan - Define the concept of human development, its dimensions and objectives. - Define the concept of economic growth and objective. - Show the link between human development and economic growth. Problem: What are the implications of the third millennium goals, how can these objectives achieve growth and development of developing countries?	3
2	Body – Methodology : - Dividing the body in paragraph containing each one main idea supported by arguments. - Connecting between paragraphs with a sentence. - Respecting a logical sequence of ideas.	1
3	Body – Content: * Mentioning the policy to achieve the 1 st and 2 nd objectives: Human Development Policy (0.5 point) * Mentioning the objectives and mentioning 2 measures for each objective (0.25 point for each measure): <u>Objective/Measure</u>	2.5

	<p>1 - Achieve generalization of primary education :</p> <ul style="list-style-type: none"> - ↑ State expenditures for education as a proportion of GDP. - Impose obligatory and free education up to the basic stage of education <p>2 - reducing child mortality :</p> <ul style="list-style-type: none"> - ↑ State expenditures for health and Nutrition and prevention. - Establishment of government hospitals and clinics and equal benefits in all regions. <p>* The link between achieving of measures and objectives (0.5 point for each):</p> <ul style="list-style-type: none"> - Student link between the 2 measures and the 1st objective: ⇒ ↑ Percentage of educated in elementary and basic levels and reduce illiteracy rate ⇒ formation of capable and efficient human capital in the long run. ⇒ ↑ Productivity ⇒ ↑ GDP and rate of economic growth <p>The student links between 2 measures and the second objective ⇒ Improve health standards for children ⇒ reducing child mortality.</p>	
4	<p>Body – Content:</p> <p>** Identifying solutions (0.25 point for each):</p> <ul style="list-style-type: none"> - Liberalization of international trade. - Liberalization of capital movement. - Reduce the state's role in investment through privatization: BOO, BOT <p>* Link (0.5 point for each):</p> <ul style="list-style-type: none"> - Liberalization of international trade ⇒ enhance market competitiveness on the basis of creativity, innovation and technological progress ⇒ increase productivity & enhance supply competitiveness ⇒ ↑ investments ⇒ ↑ production and Job opportunities ⇒ ↑ economic growth rate - Liberalization of capital transfer ⇒ Reassure investors and attract foreign capital ⇒ ↑ investments ⇒ ↑ production and Job opportunities ⇒ ↑ economic growth rate - Reducing the role of privatization ⇒ Treating debt problems of developing countries ⇒ Strengthen the role of the private sector in investment and provide decent work opportunities for youth <p>(↓ Public expenditure ↑ State resources → ↑ General revenue)</p>	2.25
5	<p>Body – Content:</p> <p>Identifying the importance of applying these objectives together:</p> <ul style="list-style-type: none"> - Achieve the objectives of human development synchronized with economic growth ⇒ Achieve sustainable economic growth of any stimulating investments steadily <p>⇒ Create sustainable jobs for young people, increased the level of incomes and the level of household spending → achieving social welfare.</p>	1.25
6	<p>Conclusion :</p> <p>Methodology (0.5 point): Synthesizing the arguments and solutions of the issue discussed.</p> <p>Content (1.5 points): Synthesizing the arguments which were developed in the body.</p>	2