

دورة العام 2012 الإستثنائية	امتحانات الشهادة الثانوية العامة فرع الإجتماع والإقتصاد	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- Justify each of the following statements: (1.5 points)
- 1.1- Applying the economic reform policy demand sided leads to a deficit in the public budget.
 - 1.2- Inflation is one of causes for the deficit in the trade balance.
- 2- Distinguish between Recession and Depression stages according to:
- Prices
 - The economic growth rate (1point)
- 3- Consider the following consumption function is: $(C) = 0.7R + 300$ and the revenue $(R) = 1200$ m.u.
- 3.1- Calculate the average propensity and the marginal propensity to consume and to save. (1 point)
 - 3.2- Indicate the income elasticity of demand. (0.5 point)
- 4- An employee would like to invest his 170,000 m.u end of service indemnities in aluminum trade. The total investment needed for the project is 80% of his indemnities and that the yearly operational cost is 10,000m.u. whereas revenues are expected to be as follows:
- Sales' revenues: 25,000 m.u. per year
 - Revenues from installation services: 5,000 m.u. per year
- Knowing that the duration of the project is 8 years and that the present value rate is 10%, calculate the present value of the project's financial flows and indicate whether it is feasible. (1.5 points)
- 5- The owner of an industrial enterprise asks the director to prepare an organizational chart of the institution including: Production Manager – Administrative Manager – Cashier – Human Resources department – Commercial Manager – Financial Manager – Purchasing Department – Sales Department.
- 5.1- Draw the appropriate organizational chart of this enterprise. (1 point)
 - 5.2- Indicate the type of this chart. (0.5 point)

Part Two: choose one of the following sets

First choice set: Analyzing documents (12 points)

Document no.1: Features of the Egyptian economic reform

The government was focusing on economic development as the only mean to attain prosperity, increase income and hence improve the living standard of the Egyptian citizen. The first phase of the Egyptian economic reform program started with the launching of the first five year plan (1982-1987) .This global economic reform aimed at creating a strong infrastructure which would be a solid base for development in the domains of modern agriculture, industry and other production sectors; this was done in order to insure the adequate environment for investment and provide the Egyptian economy with a competitive position among the developed world economies. The main features of the economic reform which started at the beginning of the 80s are:

1. Shifting from a central planned economy based on the domination of the government on the economic activity to a system of free economy, believing in the market laws and mechanisms, which constitutes the essential tool of economic reform.
 2. Liberation of prices
 3. Supporting and encouraging the private sector and Investments as well as privatization policy.
- During the second phase of the reform and liberalization of the Egyptian economy, Egypt started in 1991 implementing a policy of privatization; the government wasn't anymore the only investor and its role became to execute the public investments necessary for economic and social development. mainly infrastructure projects. The third phase of the economic reform program was based on a new philosophy that follows the rules and mechanisms of the World's economy. The main features of this phase are:
1. The tax reform: The issuing of the tax law (...) which contributes in reducing the tax layers to 50% or less in order to advantage the citizens and all who work in the economy.
 2. Customs duties reform: (...) which aims at:
 - a- Encouraging investments by reducing custom taxes on equipments.
 - b- Activating the market, and reducing prices with a big increase of exports.

Source: الاقتصاد القومي والاستثمار (2006/2005)، موقع وزارة التنمية الاقتصادية المصرية الإلكتروني:

Document no. 2:

The Egyptian Human Development Indicators				
	1996	1997-1998	1998-1999	2000-2001
Indicator of Life expectancy at birth	68.5	69.5	69.8	70.2
Education indicator	0.569	0.599	0.614	0.643
Gross Domestic Product* indicator	0.503	0.598	0.632	0.649
Human Development Indicator **	0.589	0.631	0.648	0.665
* Based on the Gross domestic product per capita (equivalent to the purchasing power in US \$)				
** (0.1-0.499) low level / (0.5-0.799) Medium level / (0.8-0.999) high level				
<i>Source: Human Development Report – UNDP</i>				

Referring to the above documents, answer the following questions:**1- Referring to document no (1):**

1.1- Deduce the economic system (regime) adopted in Egypt before the implementation of the economic reform program. Justify your answer with a proof from the document. **(1 point)**

1.2- Name the economic system adopted in Egypt since the beginning of 80s. **(0.5 point)**

1.3- Deduce one principle of this system and evaluate it. **(1.5 points)**

2- Extract from document no (1) a structural policy and show its effect on the economic situation. (1.5 points)**3- It is mentioned in the third phase of the economic reform program many features:**

3.1- Indicate the negative consequence for the tax reform. **(0.5 point)**

3.2- Link between reducing custom taxes on equipments and the increase of exports. **(1 point)**

4- Referring to the human development indicator mentioned in document no (2),

Evaluate the situation of human development in Egypt. **(1 point)**

5. It is mentioned in document no (1): "... reducing the tax layers to 50%..."

Explain the impact of this measure on one of the human development indicators stated in document no (2). **(1 point)**

6. Referring to the documents 1 and 2, write a text in which you:

- indicate the economic system adopted in Egypt after the year 1991 to improve the human development situation.

- Mention a measure to develop each of the human development indicators.

- Link between the measures and the general economic goal expected to be achieved. **(4 point)**

Second set: Studying an economic subject (12 points)

Document: Agriculture in Lebanon faces many obstacles related essentially to the unstable situation of the production structure which does not allow efficient development. In general, agricultural lands are composed of small and separated units with a production oriented towards personal and family consumption.

The agricultural methods implemented are traditional in general with low efficiency which leads to a decrease of agricultural revenue. Furthermore, the high cost of factors of production lead to the abandon of many agricultural lands, especially the isolated ones. In addition, the aging of the permanent labor force raises the issue of renewing this labor force.

On the other hand, marketing operations follow old methodologies which limit the interaction between pioneering agricultural units and the markets because of the inability to obtain accurate information of market transactions. In this framework, the economic dangers facing the agricultural sector and the abusive methods adopted by the dealers of this sector in the fields of marketing, transformation and exports, remain an obstacle to any modernization of agriculture.

Source : 2009 – 2005 إستراتيجية التنمية الزراعية ، برنامج عمل السنوات الخمس

Referring to the document and to your own information, treat the problems facing agricultural sector:

- Mentioning an appropriate agrarian policy to overcome all problems, indicating one measure to solve each problem
- Naming the expected economic goal
- Linking between all measures and the economic goal.

Remark: Net presentation (½ pt), Handwriting (¼ pt), Style (¼ pt).

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

Answer the following exercise:

First exercise (8 points)

Part of the Q	Answer	Mark
1.1	Tools of the Economic reform, demand sided : Increase of public projects → Increase of public expenditures and at the same time : decrease of income taxes → decrease of public revenue. → Revenue < Expenses → Public deficit .	0.5
1.2	In case of inflation : Prices of local products increase → decrease of demand on these products → Increase of demand on foreign products → Increase of imports and at the same time decrease of exports → imports > exports → Trade balance deficit.	0.5
1.3	Reducing the retirement age → Increase expenditures of social security and other retirement funds → Increase of public expenses → Increase of budget deficit.	0.5
2	The 2 principles of the liberal system : Freedom of money transfer (0.25 pt) Freedom of prices (0.25 pt) - Freedom of money transfer : In the neo liberal system, the government sets a limit to the transfer of capital. (0.5 pt) - Freedom of prices: In the neo liberal system, the government intetrferes to stop monopolies or reduce their negative effect by setting the prices of necessity goods and setting a margin of profit.	1
3.1	Indirect taxes are greater than direct taxes : primitive fiscal system and bad collection of taxes	0.25
3.2	High public debts : Public expenditures greater than revenues or most of the public sector enterprises face a deficit	0.25
3.3	High percentage of food expenses : low salaries and purchasing power	0.25
3.4	Reduced middle class : Inequality in income redistribution or concentration of revenues in one social class.	0.25
4	$I_0 = 170000 \times \frac{80}{100} = 136000 \text{ u.m (0.25pt)}$ <p>Annual Revenue = 25000 + 5000 = 30000 (0.25pt) F = 30000 – 10000 = 20000 (0.25pt) $V_0 = F \times \frac{1 - (1 + 0.1)^{-8}}{0,1} - 136000 = -2930 \text{ u.m}$ (0.25 pt for applying the formula, 0,5 pt for the answer) V o is negative, the project is not feasible. (0.5 pt)</p>	2

5.1	<pre> graph TD GD[General Director] --> MD[Marketing Director] GD --> FD[Financial Director] GD --> CD[Commercial Director] GD --> PD[Production Director] GD --> AD[Administrative Director] FD --> C[Cashier] CD --> SD[Sales Department] CD --> PDpt[Purchasing Department] AD --> HR[Human Resources] </pre>	1
5.2		0.5
6	Clean and neat presentation (0.5 pt), Readable handwriting (0.25 pt), Style (0.25 pt)	1

Answer one of the two following exercises:

First exercise (12 points)

Part of the Q	Answer	Mark
1	<p>Introduction : <u>Methodology</u> (1 point):: Mention an adequate and coherent issue (“problematique”) and announce the plan which will be detailed in the body.</p> <p><u>Content</u> : 1 point for stating the issue which will be discussed et 1 point for announcing the plan</p>	3
2	<p>Body – Methodology:</p> <ul style="list-style-type: none"> - 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	<p>Body – Content:</p> <p>Policy : Improvement of agrarian infrastructure (0.5 pt) Objective : Self sufficiency in food (0.5 pt)</p>	1
4	<p>Body:</p> <p>Problems (0.25 for each) Measures (0.5 for each) 0.25 pt the relation between the problem and the adequate measure (Five problems should be discussed)</p> <p>1st problem: Agricultural lands are composed of small and separated units Measure: - Determine a minimum size for agrarian land - Prohibit the division of land into smaller estates</p> <p>2nd problem: The agricultural methods implemented are traditional in general with low efficiency Measure: Develop research in agriculture</p>	5

	in competitiveness, sales and production → Decrease in growth (0.25 point)																						
2.1	<p>Neo liberal system or democratic socialism(0.5 point) Justification : « ... Supporting and encouraging the private sector and Investments as well as privatizing »</p> <p>Or, Liberal system Justification : « un a system of free economy, believing in the market laws and mechanisms, »</p>	1																					
2.2	<p>Positive consequence of point 2 : Increase in competitiveness of enterprises – (0.5 point) Positive consequence of point 3 : Increase in efficiency of enterprises (0.5 point)</p>	1																					
2.3	<p>Negative consequence: 1. Public deficit 2. Trade balance deficit 3. Monetary speculations (0.25 point for each)</p> <p>Relation : 1. Reducing the tax layers to 50% → Reducing government revenues compared to expenses → Déficit 2. Reducing custom taxes on imports → Increase of imports and increase in the competitiveness of foreign products on the local market → Trade balance deficit 3. Liberating the exchange rate and activating the markets → Buying national currency in order to resell it at higher rates → Speculations (0.25 for each relation)</p>	1.5																					
3	<p>The level of human development increased after the implementation of the first two phases of the plan (0.25 point) but the country's development level is still average. (0.25 point) HDI in 1996 : 0.589 and in 2004 : 0.659 (0.25 point) Indicators improved in general but the GDP decreased between 2001 and 2004 from 0.64 to 0.62 (0.25 point)</p>	1																					
4	<p>Mention the systems adopted by Egypt and their drawbacks (0.5 point) Suggest an adequate system: Neo liberal (0.5 point)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Economic policy</th> <th style="width: 33%;">Objective</th> <th style="width: 33%;">Measure</th> </tr> </thead> <tbody> <tr> <td>Privatization</td> <td>- Increase efficiency and productivity of enterprises. - Reducing public deficit - Increase government revenues</td> <td>- BOO - BOT</td> </tr> <tr> <td>Economic reform – supply sided</td> <td>- Economic growth</td> <td>All the measures of the policy are considered correct</td> </tr> <tr> <td>Structural policy (agrarian or industrial)</td> <td>- Self sufficiency or improvement of trade balance</td> <td>All the measures of the policy are considered correct</td> </tr> <tr> <td>0.25 point</td> <td>0.25 point</td> <td>0.25 point</td> </tr> </tbody> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Development plan</th> <th style="width: 33%;">Objective</th> <th style="width: 33%;">Measures</th> </tr> </thead> <tbody> <tr> <td></td> <td>- Human development - Improving the level of Egypt in human</td> <td>- Increase government expenses on health and hospitalization. –</td> </tr> </tbody> </table>	Economic policy	Objective	Measure	Privatization	- Increase efficiency and productivity of enterprises. - Reducing public deficit - Increase government revenues	- BOO - BOT	Economic reform – supply sided	- Economic growth	All the measures of the policy are considered correct	Structural policy (agrarian or industrial)	- Self sufficiency or improvement of trade balance	All the measures of the policy are considered correct	0.25 point	0.25 point	0.25 point	Development plan	Objective	Measures		- Human development - Improving the level of Egypt in human	- Increase government expenses on health and hospitalization. –	4.5
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		development according to the HDI.	<ul style="list-style-type: none"> - Increase government expenses on education, and, in particular, women's education, implement obligatory schooling. - Increase government expenses on infrastructure in order to encourage investment or reduce interest rates on loans for investment. 	
	0.5 point to describe the plan and relate it to the chosen system	0.25 point	Mention one measure per domain (education, health and life expectancy, economy) 0.25 for each measure	
	0.5 point for the coherence of the paragraph			