

الاسم: _____
الرقم: _____
مسابقة في مادة الاقتصاد
المدة: ثلاث ساعات

First Obligatory Set: Using Economic Concepts and Techniques (8 pts.)

1. Copy the following table on your answer sheet; then complete it with the appropriate answer. (1.5 pts)

Situation	Direct consequence	The effect of the consequence on the economic situation
Decrease in the level of wages		
Increase prices of raw materials		
Developed infrastructure		

2. A country that suffers from an economic problem and a monetary one adopted the following :
a- fixing an official exchange rate for the national currency.
b- Setting a ceiling on the amount of capitals allowed to be transferred abroad.
2.1. Name the economic system adopted in this country. (0.5 pt)
2.2. Deduce the two problems that this county is suffering from. (1 pt)
3. A company has analyzed the nature of a decision concerning the purchasing of certain machines, it found that the quality is "low" and the acceptance is "high".
3.1. By relying to the Matrix of quality and acceptance, specify the party that was consulted when making this decision. (0.25 pt)
3.2. Specify the type of motivation in case of making this decision and justify your answer. (0.75 pt)
4. Based on a closed economy, and where the state does not interfere in the economic issues, the function of investment of a certain country is (I):
 $(I) = -50i + 3$
Knowing that values of investment, saving and income are in billions of Lebanese Lira.
4.1. Calculate the amount of investment if the interest rate is 2 %. (0.5 pt)
4.2. Specify the value of consumption that realizes the equilibrium between saving and investment, when the value of income is 20 billion of Lebanese Lira. (0.75 pt)
4.3. Specify the value of the investment if the interest rate has increased from 2% to 4% and analyze the result. (0.75 pt)
5. Due to the depreciation of one of the machines in a factory, the manager decided to buy two new machines, the value of each is 3 million m.u.
One third (1/3) of the total amount is paid in cash and the rest in four equal installment yearly payments.
The investor expects to make equal yearly revenues of 1,700,000 m.u. over five years from using these two machines.
Knowing that the yearly interest rate is 10%, specify if the investment is profitable. Justify your answer. (2 pts)

Choose one of the following sets:

First Optional Set: Analyzing Economic Documents (12 pts)

Document no 1:

...The labour market is not only about the relative relationship between demand and supply; it is also about how to launch a dynamism that creates job opportunities. Whenever an employment crisis occurs, a demographic one appears compared to the economic growth that generates job opportunities.

According to the data issued by the World Bank, the unemployment rate reached almost 11% in 2010. This rate increased in the last years to almost 25% as a result of the cumulative effects of the negative repercussions of the Syrian war and the security progressions on the different Lebanese economic sectors...

The unemployment issue is mainly characterized by the economy's inability to create enough jobs. The mismatch between graduates of universities and institutes from one side and the needs of the economy from another appears within this context. In addition, it is noticed that higher education is producing large numbers of graduates from the faculties of Arts, Laws and Social Sciences and relatively less numbers of graduates from the faculties of Sciences. Also, technical education provides large numbers of graduates however it suffers from a weakness in its quality.

المصدر: دراسة اليد العاملة في المؤسسات التجارية والخدماتية - ٢٠١٦

Document no 2:

Indicateurs	années	2011	2012	2013
Economic growth rate (%)		2	2.5	1.5
Inflation rate (%)		3.4	4.6	2.7

المصدر: نهوض لبنان نحو دولة الانماء- تشرين الاول - ٢٠١٦

Document no 3:

Lebanon is capable of absorbing the structure of those joining the labor market in case the following factors are available: State of law, stable political security, complementarity among the sectors of production, regional distribution of enterprises for equitable development, reinforcement of education and vocational training, increase of social benefits and creation of incentives for employment.

المصدر: دراسة اليد العاملة في المؤسسات التجارية والخدماتية - ٢٠١٦

Document no 4:

There exists in Lebanon, and in several countries, productive enterprises, especially in remote areas, that are still operating with extremely low productivity and are collapsing one after the other; if the State does not give these enterprises the needed attention, this will prevent the Gross Domestic Product from their contribution and might accelerating immigration. This is one of the weaknesses of a market economy. For that, developed countries support the living standards of classes with limited income.

المصدر: نهوض لبنان نحو دولة الانماء- تشرين الاول - ٢٠١٦

Referring to the documents above, answer the following questions:

1. 1- Deduce the two types of unemployment reflected in document no (1). Justify your answer by referring to one proof for each type. (1 pt)
2. It is mentioned in the document no(1): " technical education provides large numbers of graduates however it suffers from a weakness in its quality "
 - 2.1. Deduce the developmental problem that could result from this fact. (0.5 pt)
 - 2.2. Explain the effect of this problem on the stage of economic cycle that Lebanon is passing through between 2012 and 2013, based on the given of document no (2). (1 pt)
3. By referring to document no (3):
 - 3.1. Choose a factor that contributes in solving the developmental problem deduced in the question no (2.1), mentioning one measure to achieve it. (1 pt)
 - 3.2. Choose a factor that contributes in improving the level of living standards of classes with limited income mentioned in document no (4), showing its effect on the economic situation . (1 pt)
4. By referring to document no(2), show the effect of the variation in the level of inflation between 2011 and 2012 on one of the types of unemployment deduced in document no(1). (1pt)
5. It is stated in document no. 3: "regional distribution of enterprises for equitable development":
 - 5.1. Suggest a fiscal measure and a monetary one that the State should follow to reach equitable development (1 pt)
 - 5.2. Specify one direct negative result for the fiscal measure. (0.5 pt)
6. Show the effect of the situation of the productive enterprises mentioned in document no (4) on the demographic crisis mentioned in document no (1). (1 pt)
7. Documents no.1 and 2 referred to an economic and a social problem from which Lebanon suffers. Write in a text in which you suggest:
 - An appropriate policy to solve for the economic problem and one of the types of unemployment without leading to an increase in the inflation rate , mentioning two measures within the policy and linking between the measures and the intended economic and social objectives.
 - A policy to solve the other type of unemployment, a measure within the policy and linking between the measure and solution to the problem (4 pts)

Second Optional Set: Studying an Economic Subject (12 pts)

Document no.1: Agricultural employment in Lebanon according to the agricultural statistics of 2010

The agricultural sector in Lebanon makes use of 6% of the national employment (2009) and constitutes more than 25% of the job opportunities in rural areas and not less than 8% of GDP. Sampling agricultural reports for 2010 indicated that the number of farmers reached almost 170,000 with an average age of 52 years where half of them depend on the agricultural activity only and have no additional economic activity.

The agricultural sector in Lebanon suffers from a number of social problems; most important of which are:

The legal status of farmers (the labor law does not include guarantees, compensations or rights)

Availability of weak categories (especially young generations, men and women) with a strong tendency to poverty and low living standards

Decline of agricultural investment due to decrease in agricultural loans.

المصدر: استراتيجية وزارة الزراعة للأعوام ٢٠١٥ - ٢٠١٩ / ٨ - ١٢ - ٢٠١٤.

Document no 2:

The head of the association of the Lebanese industrialists called for an immediate action to face the decrease in industrial exports that reached 6.9% in 2014 compared to 2013. He demanded to issue a basket of motivation that considers covering the additional expenses that the industrialist is bearing including transportation and insurance, after the difficulties facing transportation via Syria due to the incidents occurring in the country and support the exports 'operational capital in addition to establishing programs to assist small and medium scale enterprises.

المصدر: النشرة الإلكترونية اللبنانية - الأثنين في ١٦/آذار/ ٢٠١٥. (www.elnashra.com)

Referring to the documents above and your acquired information, write an essay in which you discuss the following points:

- Specify the importance of the agricultural and industrial sectors in Lebanon
- Mention the problems from which the sectors suffer, while mentioning an appropriate measure to solve each problem and a direct objective behind applying each of the measures.
- Link the application of these measures to the improvement of the economic and social situations in Lebanon while showing their negative effect on the financial situation.