وزارة التربية والتعليم العالي المديرية العامة للتربية دائرة الامتحانات	امتحانات الشهادة الثانوية العامة الفرع : إجتماع و إقتصاد	دورة سنة ٢٠٠٨ الاكمالية الإستثنائية
	مسابقة في مادة الاقتصاد المدة ثلاث ساعات	الاسم: الرقم:

Part One: Obligatory set

Using concepts and techniques (7 points)

1- 1.1. **Differentiate between circumstantial (conjectural) policies and structural policies according to their objective and duration. (1 point)**

1.2- **Classify the following policies according to their type, circumstantial or structural: (1 point)**

Nationalization – Economic reform policy, demand sided – Agrarian policy – Fighting unemployment – Privatization

2- Justify the following sentence:

An economic crisis has certain advantages on the global economic level of a country. **(0.5 point)**

3- Due to a bad economic situation, an enterprise which encounters a difficult financial situation decides to merge with another one with the same line of products.

3.1- **Define the nature of the decision taken by the enterprise. Justify your answer. (0.5 point)**

3.2- **Mention the positive consequence that might result from this decision. (0.5 point)**

4- The domestic product of a country increases from 5000 billion m.u. in 2002 to 5600 billion m.u. in 2003, while the price index is 105 in 2003 with respect to 2002 (initial year)

4.1- **Calculate the growth rate of this country in 2003. (1 point)**

4.2- **Determine the phase of the economic cycle through which this country is passing if the growth rate in 2002 was 9%. (0.5 point)**

5- The costs of a factory are as follows:

Fixed cost =1000 m.u

Variable Cost = $100Q+0.3Q^2$

Calculate the Total Cost, the Average Fixed Cost, the Average Variable Cost and the Average Cost if the production Q=5 units. (1 point)

6- A person places an amount in the bank for a simple interest rate of 11% from 7/6/2007 to 11/12/2007. The expected interest at end of the period is 1100 m.u. **Calculate the initial amount. (1 point)**

Part Two: choose one of the following sets

First choice set: Analyzing documents (12 points)

Document no 1:

… this worrying data about unemployment concerns particularly the university graduates, since their number has increased of 46% during the last ten years. It should be noted that the number of graduates has increased to 15686 in 2001-2002. According to the estimation of the Ministry of Labor, around six to seven thousand of graduates only find job opportunities in Lebanon. The rest, that is eight to nine thousand graduates form the unemployed and the emigrants.

Among the causes of this: the bad economic situation, the decrease in the growth rate of the economy at the same rate as the percentage of absorption of graduates, the chaos in the graduation process of students holding specializations which are not demanded in the labor market especially at the Lebanese University from which graduate around 44% of the university graduates in Lebanon. At the same time, there are specializations that still offer job opportunities such as: nursing, topography, informatics, programming, tourism and hotel management, car maintenance, education and other fields.

Source: Conference – Adequacy of university programs and the labor market, Antonine University, June 30th, 2004

Document no.2:

(…)according to the statistics of the year 2004-2005, published in 2006 by the Ministry of Social affairs, regarding the living conditions of Households:

The unemployment rate for the age group of 15 years and above is 7.9%, 9.6% for females and 7.4% for males. It should be noted that this rate increases for the age group of 15-24 years.

21.2% of the total unemployed have university degrees, 24.6% have an elementary level and 26.2%, an intermediate level.

Source: جريدة المستقبل ، ١٩ آب ٢٠٠٧، المستقبل الاقتصادي ، ص ٨

Document no 3:

(…) according to most studies, what is required to solve this social problem which is increasing dramatically, is: the necessity to improve real economic growth… the Lebanese economy needs levels of constant growth above 6% for several years to avoid marginalization and poverty. The necessity also to create around 100 thousand jobs annually in order to increase the labor force from its current level of 30% of the population (which is among the lowest in the World) to 40%.

Source: جريدة المستقبل ، ٩ حزيران ٢٠٠٦، المستقبل الاقتصادي ، ص ١٢

Referring to the above documents, answer the following questions:

1- 1.1. It is mentioned in document no.1 that, only around 7000 graduates are able to find job opportunities in Lebanon. Extract the reasons for that. **(1 point)**

1.2. Deduce the two types of unemployment reflected by Document no.1 and justify you answer. **(2 points)**

2- Document no.2 describes the situation of unemployment in Lebanon according to 3 criteria. Extract them. **(1 point)**

3- The necessity to create around 100 thousand jobs annually in order to increase the labor force is mentioned in document no.3.

3.1. Name the policy that is implemented to increase the labor force and overcome unemployment. **(0.5 point)**

3.2- Evaluate this policy. **(1 point)**

4- It is mentioned in documents 1 and 2 that a big percentage of university graduates are unemployed or emigrants. Specify the developmental problem resulting from this situation. **(1 point)**

5- It is mentioned in document no.3 that the economic growth rate should be improved in order to solve the problem of unemployment. Show how can this solution solve this problem. **(1 point)**

6- Two types of unemployment are reflected by documents no.1 and 2 according to several criteria. Discuss in the form of a text:

- An adequate policy to overcome each one of these types.
- One measure within each policy
- The relation between each policy and the expected objective. **(4.5 points)**

Second set: Studying an economic subject (12 points)

Document:

(…) Towards the end of 2006, the growth rate of Lebanon lost 6 points and thousands of jobs opportunities moved outside the country; moreover Lebanon lost thousands of its youth (…) and one could say that losing two years of growth for a young and small economy (…) affects not only the present but also the future of Lebanon and the vitality of its economy.

Source: د.لويس حبيقة، جريدة النهار، ١ حزيران ٢٠٠٧

Referring to the two basic problems mentioned in the document above and to your acquired knowledge, discuss in the form of an essay the situation of the Lebanese economy:

- Suggesting the adequate policy to solve the problems, explaining four instruments of the policy and indicating the main objective for adopting it

- Mentioning the developmental to be adopted showing its impact on the economic situation. (12 points)

Remark: Clean and neat presentation (0.5 pt), Readable handwriting (0.25 pt), Style (0.25 pt)

دورة سنة ٢٠٠٨ الاكمالية الإستثنائية	امتحانات الشهادة الثانوية العامة الفرع : إجتماع و إقتصاد	وزارة التربية والتعليم العالي المديرية العامة للتربية دائرة الامتحانات
الاسم: الرقم:	مسابقة في مادة الاقتصاد المدة ثلاث ساعات	**مشروع معيار التصحيح**

<table>
<tr><th>Part of the Q</th><th>Answer</th><th>Mark</th></tr>
<tr><td>1.1</td><td>Circumstantial (conjectural) policies aim to achieve economic growth, stabilize prices, create new job opportunities, improve foreign exchange and solve an economic situation, and structural policies aim to ensure development, major changes in the social and economic structure and achieve sustainable economic growth. (0.5 point)
Circumstantial (conjectural) policies are applied on the short or medium term whereas structural policies are implemented on the long run. (0.5 point)</td><td>1</td></tr>
<tr><td>1.2</td><td><table><tr><th>Circumstantial policies</th><th>Structural policies</th></tr><tr><td>Economic reform policy, demand sided –
Fighting unemployment –</td><td>Nationalization – Agrarian policy – Privatization –</td></tr></table>0.5 point for each column</td><td>1</td></tr>
<tr><td>2</td><td>Small enterprises which have a poor competitiveness and enterprises which are not able to face the decrease in prices are forced to close, whereas enterprises which avoid bankruptcy remain and are forced to decrease their costs and improve their productivity.
Or,
Only the enterprises which are competitive and have a good productivity are able to go through the crises.
Or ↓ interest rates or ↓ labor costs or renewal of equip.</td><td>0.5</td></tr>
<tr><td>3.1</td><td>Strategic decision which affects the whole enterprise, is applied on the long term and are taken by general management.</td><td>0.5</td></tr>
<tr><td>3.2</td><td>Improve the competitiveness of the enterprise.</td><td>0.5</td></tr>
<tr><td>4.1</td><td>Real GDP in 2003 = 5600 x 100/105 = 5333.33 billion m.u. (0.5 point)

Growth rate between 2002 and 2003 :
$\frac{5333-5000}{5000}x100 = 6.66\%$ (0.5 point)</td><td>1</td></tr>
<tr><td>4.2</td><td>The growth rate has decreased from 9% to 6.6%: recession</td><td>0.5</td></tr>
<tr><td>5</td><td>TC=FC+VC
$TC=1000+100Q+0.3Q^2$ = 1000+500+7.5=1507.5 m.u. (0.25 point)
AFC=FC/Q=1000/5=200 m.u. (0.25 point)
AVC=VC/Q=507.5/5=101.5 m.u. (0.25 point)
AC=AFC+AVC=301.5 m.u. (0.25 point)</td><td>1</td></tr>
<tr><td>6</td><td>
Number of days = 23+31+31+30+31+30+11=187 days (0.25 point)</td><td>1</td></tr>
</table>

<table>
<tr><td></td><td>$I_n = \frac{C_0 xnxi}{360}$
$1100 = \frac{C_0 x187x0.11}{360}$
$C_0 = \frac{396000}{20.57} = 19251.33 m.u.$
(0.25 point for the equation, 0.25 point for applying it and 0.25 point for the result)</td><td></td></tr>
<tr><td>7</td><td>Clean and neat presentation (0.5 pt), Readable handwriting (0.25 pt), Style (0.25 pt)</td><td>1</td></tr>
<tr><th>Part of the Q</th><th>Answer</th><th>Mark</th></tr>
<tr><td>1.1</td><td>the bad economic situation, the decrease in the growth rate of the economy at the same rate as the percentage of absorption of graduates, the chaos in the graduation process of students holding specializations which are not demanded in the labor market.</td><td>1</td></tr>
<tr><td>1.2</td><td>Structural unemployment (0.5 point)
Justification : « he chaos in the graduation process of students holding specializations which are not demanded in the labor market », which means that the nature of the supply differs from the nature of the demand on the labor market (0.5 point)

Circumstantial unemployment (0.5 point)
Justification : « The bad economic situation, the decrease in economic growth at the same rate as the percentage of absorption of graduates » (0.5 point)</td><td>2</td></tr>
<tr><td>2</td><td>By age group
By gender : Unemployment of men and women
By specialization : Unemployment affects most graduates</td><td>1</td></tr>
<tr><td>3.1</td><td>Job creation policy (0.5 point):</td><td>0.5</td></tr>
<tr><td>3.2</td><td>Evaluation :
Positive consequence of this policy : Decrease of unemployment (0.5 point)
Negative consequences (0.5 point) :
Inflation or
Costly for the government or
Increases public expenditures or creates disguised unemployment
or public deficit</td><td>1</td></tr>
<tr><td>4</td><td>Poor human development or emigration of human resources (0.5 point)</td><td>1</td></tr>
<tr><td>5</td><td>↑ of economic growth → ↑ of production → ↑ of investments → ↑ of demand on the labor market → Decrease of unemployment.
(0.25 point for each deduction)</td><td>1</td></tr>
<tr><td>6</td><td><table>
<tr><td>Types of unemployment (0.25 point for each type)</td><td>Policy
(1 point for each)</td><td>Measure
(0.5 point for each)</td></tr>
<tr><td>Structural</td><td>- Active policy of labour</td><td>- Orient students towards specialization which are demanded on the labor market or</td></tr>
</table></td><td>4.5</td></tr>
</table>

		- Provide adequate training
Circumstantial	- Economic reform, supply sided - Or classical policy	- Decrease or freezing of the costs of factors of production. - Decrease of interest rates on loans needed for investment particularly in regions which are far from the capital - Encourage competition - Create a Job Agency

0.5 point for each of the following relations :
- The Active employment policy affects the supply of labor which becomes more aligned to the demand and this reduces unemployment.
- Economic reform, supply sided ensures economic growth which leads to an increase of investments and thus a creation of jobs.
- Classical police Align the S. and the D. of labor → ↓ unemployment.

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 Specify the two problems : The phase of the economic cycle through which Lebanon is going through (depression) and unemployment (loss of thousands of job opportunities) <u>Problématique</u> : How can Lebanon achieve economic reform while going though successive crises and wars ?	**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. - Discussion of the phase of the economic cycle through which Lebanon is going through (depression) and unemployment (loss of thousands of job opportunities)	1
3	**Body –** Content: Discuss the phase of the eco cycle through which Lebanon is going through depression.	1
4	**Body –** Content: - The adequate policy is the economic reform-supply sided (0.5 point) - The objective is to achieve economic growth and create job opportunities (0.5 point)	1
5	**Body –** Content: Example of measures : (0.5 pt for each measure) - Ensure a competitive market, stabilize salaries in order to reduce costs of production, fight inflation, decrease interest rates on loans, decrease taxes	2
6	**Body –** Content:	2

	Human resources development (1 point) Human resources Development → Qualified human capital → ↑ productivity → ↑ GDP → ↑ Growth	
7	**Conclusion** : <u>Methodology</u> (0.5 point): Synthesizing the arguments and solutions of the issue discussed. <u>Content</u> (1.5 points): Synthesizing the arguments which were developed in the body.	2