

الاسم :
الرقم :مسابقة في مادة الاقتصاد
المدة : ساعتان**Part one: (7 points)**

- 1- The demand on consumption increased from 1000 m.u to 1300 m.u after an increase in the income from 1600m.u to 2000 m.u.
- 1.1- Calculate the marginal propensity of each of the consumption and saving. (1.5 points)
- 1.2- Calculate the income elasticity of demand and analyze the result. (1.5 points)
- 2- After conducting a feasibility study for an industrial project producing medical machines, the study shows that the project needs the following:

- Equipment: 40000 m.u
- Land: 120000 m.u.

Also, the project will need yearly equal operational costs of 155000 m.u. for 4 years, and expects yearly revenues as follows:

- First year: 500000 m.u.
- Second year: 650000 m.u.
- Third year: 750000 m.u.
- Fourth year: 1000000 m.u.

Knowing that the rate of actualization (interest rate) is 8% yearly, determine if the project is feasible, justify your answer. (2 points)

- 3- Mr Sami deposited two amounts:

- The first one = 150000 m.u. in a Lebanese bank with a simple interest rate of i_1 (yearly) for a period of 7 months.
- The second = 80000 m.u. in a foreign bank with a simple interest rate of i_2 (yearly) equal the double of i_1 for a period of 11 months.

At the issue date, Mr Sami collected a total interest amount from the two amounts equal 6000 m.u.

Calculate each of the two interest rates i_1 and i_2 . (1 point)

- 4- Suppose that the equation of demand on a certain good is as follow :

$$Q_d = 10 - 2p \quad (Q_d = \text{quantity demanded}) \quad (p = \text{price})$$

$$\text{And the equation of supply is: } Q_s = 3p \quad (Q_s = \text{quantity supplied})$$

Calculate the price of equilibrium. (1 point)

Part two: (3 points)

- 1- Answer with true or false:

- 1.1- Maintaining the national currency is considered as one of the functions of commercial banks.
- 1.2- The seller in Lebanon has the right to refuse foreign currencies as a price of sales.
- 1.3- Scarce goods have the same rate of scarcity anytime and anywhere.
- 1.4- The agricultural credit bank is considered as a specialized bank.

- 2- Classify the following goods between durable goods and non-durable (used for one time) (0.5 point)

- 2.1- cars
- 2.2- gas oil (gasoline)

- 3- Copy the following table on the worksheet and fill it: (1 point)

Principle in the classical liberal system	Disadvantage	One adequate measure to solve it in the neoliberal system
	Deficit in trade balance	
Absolute freedom in prices		

- 4- Distinguish between tactical decision and strategic one using two different elements. (0.5 point)

Part three: (6 points)**Document 1:**

Indicator	year	2011	2012	2013	2014	2015
Economic growth (GDP %)		0.9	2.8	3	2	1
Exports (USD billion)		5.4	5.6	5.2	4.5	4
Imports (USD billion)*		19.4	20.3	20.5	21.1	17.1

Source: مصرف لبنان - المركز الآلي للجمارك

Document 2:

... Some experts describe this stage as the most critical since the independence of Lebanon, that the overall economic indicators were declined.

The first indicator reflecting the weakness of the Lebanese economy, is the high deficit in the balance of payments that reached around 1.25 billion \$ at the beginning of last year, adding the economic stagnation and the increase of the total public debt that attained 65 billion \$ approximately.

Among the weak indicators of the Lebanese economy, the decrease in foreign investments and capitals coming from overseas and especially from Gulf countries and Lebanese expatriates, due to the current situation that Lebanon is passing through, the Lebanese expatriate is not attracted to buy real estate any more, which contributes in decreasing demand on houses and real estate, hence, sales highly decreased and then unemployment increased in the sector of construction, which represented the main point in the economic stagnation.

(...) The political stability and security in Lebanon is considered as the main base in its economic activity, while its absence will contract this activity.

Source: noun post 26/6/2017

Document 3:

The central bank of Lebanon issued a circular to the banks aiming to decrease the rate of obligatory reserves required for banks to finance the operational capital of authorized industrial companies in order to help them increase their exports abroad, under a condition that these exported products should be from Lebanese origins, and the interest rates on loans should not exceed 3%.

Source: مصرف لبنان - ٢٠١٧

Referring to the above documents, answer the following questions

- 1- Referring to the document (1), specify the stage of the economic cycle that Lebanon is passing through within the years 2013-2015, justify your answer. (0.5 point)
- 2- Extract from document 2, the financial problem (fiscal), and suggest a structural policy to solve it. (0.75 point)
- 3- Link between the absence of political stability and security on the Lebanese economic activity referring to document 2. (0.5 point)
- 4- Referring to document (3):
- 4.1- Extract two measures from the monetary policy. (0.5 point)
- 4.2- Show the impact of each measure on the economic situation. (1.5 point)
- 5- 5.1- Deduce from the two documents 1 & 2, two components of the balance of payment. (1 point)
- 5.2- Explain the effect of these components on the situation of this balance. (0.25 point)
- 5.3- Mention a negative monetary consequence which results from this situation. (0.5 point)
- 6- Name an appropriate policy to overcome the stage of economic cycle that Lebanon is passing through, without aggravating the other economic problems. (0.5 point)

Part four: (4 points)**Document:**

The agricultural sector in Lebanon suffers from the following problems:

- Insufficiency of financial resources.
- The concentration of agriculture on traditional crops as the farmers are not familiar with the new agricultural techniques
- Small size of agricultural holdings

Source: موقع زراعت لبنان ٢٠١٦

Referring to the documents and to your acquired knowledge, write a text:

- Mentioning one consequence for each problem
- Stating one policy to overcome all the agricultural problems.
- Suggesting one adequate measure to solve each problem
- Linking between the application of these measures and the improvement in the situation of the agricultural sector.