

الاسم:
الرقم:
مادة الاقتصاد**Part One:** Choose **only three** of the following four questions:

(6 points)

1- Copy the following table on your answer sheet, and complete it with the appropriate answers.

(2 points)

Quantity of production	Fixed Cost	Variable Cost	Total Cost	Average Fixed Cost	Average Variable Cost	Average Cost	Marginal Cost
		0		-	-	-	-
50						40	
80	200						60

2- In a closed isolated economy, the consumption function for a given good is: $C = 0.2R + 200$ and the total income: $R = 1500$ m.u (amounts in monetary unit).2.1- **Calculate** each of the average and the marginal propensity to consume and to save.

(1 point)

2.2- Assuming that the income increased from 1500 m.u to 2000 m.u. **Calculate** the income elasticity of demand, then **determine** the type of this good.

(1 point)

3- On March 14, 2019, Mr. Kamel deposited an amount of 25,000 m.u in a certain bank with a yearly compound interest rate of 10%. After the beginning of the economic and financial disturbances began in the country with the fear of applying the capital control, Kamel withdrew the total amount with its interest on December 25, 2019.

- **Calculate** the total amount that Mr. Kamel will receive on December 25, 2019.

(2 points)

4- As a result of the sharp increase in the price of beef from 15,000 Lebanese pounds last February to 55,000 Lebanese pounds per kilo, the demand for beef decreased from 20 tons per day to 12 tons, in contrast, the demand for chicken increased from 15 tons to 19 tons.

4.1- **Calculate** the price elasticity of demand for beef and determine the nature of this elasticity.

(1 point)

4.2- **Specify** the nature of the relationship between chicken and beef, using the necessary calculations.

(1 point)

Part Two: Choose **only two** of the following three questions:

(4 points)

1- **Justify** each of the following statements:

(2 points)

1.1 - A Regressive growth leads to a deficit in the trade balance.

1.2 - The current political disturbances in Lebanon contribute to the decrease of the economic growth rate.

2- Due to the sharp economic changes in the region and the world, a certain country that depends on the market economy (which does not interfere in the economic and social affairs) has faced several problems the most important of them was deterioration in the national currency exchange rate, in addition to a significant rise in prices.

2.1- **Name** the economic system adopted in this country and justify your answer.

(0.5 point)

2.2- **Specify** the principle within this system that if adopted may lead to the possibility of the occurrence of each of the two problems mentioned above. (one principle to each problem)

(1 point)

2.3- **Suggest** a convenient economic system that the state can adopt, in case it decided to interfere in order to overcome these two problems.

(0.5 point)

3- Transparency International Organization announced that 10% of the Lebanese get 55% of the national income and 70% of the wealth.

3.1- **Deduce** the social problem that Lebanon suffers from.

(0.5 point)

3.2- **Specify** the appropriate policy to solve this problem, suggesting two measures within this policy.

(1.5 points)

Part Three:

(6 points)

Document No. (1): Lebanon approaches the title of "the country of a million unemployed."

Lebanon is close to achieving a record in unemployment rates in light of critical economic crisis suffering from a sharp shortage of foreign exchange and a deficit in paying debts, as international institutions expect the volume of unemployment to rise to one million unemployed before the end of 2020.

... The American University Hospital informed its employees of the decision to dismiss them for economic reasons, while the Nurses Syndicate considered that what the hospital did is a step into the unknown, a reality that seems to be similar in other sectors from education to banking, tourism, industry, trade and others.

The Lebanese Observatory for Workers' Right called for "declaring a state of social emergency and working to secure the necessary financial resources to support the terminated employees and their families, and establishing an unemployment fund to take care of all those who are laid off from work and the unemployed from a financial and social standpoint."

Source: "العين الإخبارية" - ٢٢/٧/٢٠٢٠

Document no : 2 .

The indicators	2015	2016	2017	2018	2019
GDP per capita (\$)	8541	8530	8779	9294	8803
Economic growth rate (%)	0,4	1,6	0,9	-1,9	-5,6
Budget deficit (%)	-7,9	-9,6	-7,0	-11,0	-10,9
Price index	-3,4	3,1	5,0	4,0	7,0
Imports (billion \$)	17,6	17,9	18,4	18,9	-
Exports (billion \$)	4,0	3,9	4,0	3,8	-

Source: Focus Economics, Lebanon economic Sep 2020 outlook

Referring to the documents above, answer the following questions:1- 1.1 - **Extract** from document no. (1), the two main reasons that led to the aggravation of unemployment rate. (0,5 point)1.2 - **Deduce** the type of unemployment mentioned in document no: (1). (0,5 point)

2- It was stated in document no. (1): "The American University Hospital informed its employees of the decision to dismiss them for economic reasons; while the Nurses Syndicate considered that what the hospital did is a step into the unknown ..."

- **Specify** the negative demographic consequence that may result from the layoff of nurses and hospital workers. (0.5 point)

3- It was mentioned in the document no. (2): "... and working to secure the necessary financial resources ... and establishing an unemployment fund to take care of all those who are laid off from work." (1 point)

Specify for this measure:

- a negative financial result

- a direct positive social result

4- Referring to document no. (2), **name** the stages of the economic cycle that Lebanon was passing through from year 2015 until 2019. (1 point)5- Referring to document no. (2), **calculate** the result of the trade balance in the years 2017 and 2018, **analyze** the result. (1 point)6- 6.1 - **Deduce** the economic problem reflected by the change in the price index which is mentioned in document no. (2). (0,5 point)6.2 - **Link** between this problem and the type of unemployment reflected in document no. (1 point)**Part Four:**

(4 points)

The two documents in the third set above reflect several economic problems in addition to unemployment. Write an economic text in which you suggest an appropriate policy to solve these problems together, mentioning three measures within this policy, linking between applying these measures and addressing the economic and social situation.