THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE
REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT

DAR ES SALAAM REGION

FORM SIX MOCK EXAMINATION

ECONOMICS - 1

Code: 151/1
Time: 3:00 Hours 3rd February 2025 PM

INSTRUCTIONS

1. This paper consists of sections A, B and C with a total of **eight (8)** questions.
2. Answer **all** questions in section A, and two (2) questions from each of sections B and C.
3. Section A carries **twenty (20)** marks and section B and C carry **forty (40)** marks each.
4. Non-programmable calculators may be used.
5. All communication devices and any unauthorized materials are **not** allowed in the Examination Room.
6. Write your **Name** on every page of your answer booklet(s)

This paper consists of 2 printed pages

SECTION A (20 marks)

Answer **all** questions

1. Describe five[5] characteristics of human wants.

2. Briefly analyze five[5] ways through which Tanzanian government use to correct market failure.

SECTION B (40 marks)

Answer **two** questions from this section

3. [a] You are given the following demand function

$Q=250-15P_1P_2+2P_2Y$

Where

P1=10

P2=5

Y=800

Calculate

[i] Price elasticity of demand

[ii] Income elasticity of demand

[iii] Cross elasticity of demand

[iv] Identify types of commodity in answer obtained in [iii] above.

[b] Describe five types of trade cycles.

4. [a] Study the data given below and answer the questions tht follow

ITEMS	**YEARS AND QUANTITIES/PRICES**			
	2023		2024	
	Price	**Quantity**	**Price**	**Quantity**
Sweet potato's	190	12	510	18
Maize flour	590	7	1110	14
Wheat flour	390	7	510	15
Sugar	170	32	310	30
Rice	210	22	410	30
Beans	270	20	300	38

From above data calculate

[i] Laspayers price index, Use 2023 as base year.

[ii] Paasches price index, Use 2024 as base year

[iii] Why the answer are different

[b] Inflation is not always harmful to the society. Explain five positive impacts of inflation.

5. [a] With illustration describe methods of determining equilibrium of the Firm.

[b] Explain five factors affecting optimum size of the Firm.

SECTION C (40 marks)

Answer **two (2)** questions from this section

6. Many Governments strive to attain to full employment. However their efforts have turned a myth. Explain this statement in six points.

7. Device six measures that can be taken to avoid the society to move into population trap.

8. The central concern of all privatization effort is to promote private sector as an engine of growth and increase efficiency and productivity in the economy. Explain six necessary conditions for successful implementation of the privatization process in an economy