TANZANIA HEADS OF ISLAMIC SCHOOLS COUNCIL

FORM SIX INTER ISLAMIC MOCK EXAMINATION

151/1

ECONOMICS 1

(For both School and Private candidates)

Time: 3 Hours — Tuesday 5th March, 2024 p.m.

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 sections **B** and **C** carry **forty (40)** marks each.
4. Non-programmable calculators may be used.
5. Cellular phones and any unauthorized materials are **not** allowed in the examination room.
6. Write your **Examination Number** on every page of your answer booklet(s).

SECTION A (20 Marks)

Answer **all** question in this section

1. Currently in many countries the graduates from colleges and universities are jobless. Suggest any five ways that your government can use to solve the problem.

2. "The law of diminishing return has vast applicability to agricultural sector than industrial sector." Give a briefly explanation of this statement by using five (5) points.

SECTION B (40 Marks)

Answer only **two (2**) questions in this section

3. (a) "When general price level is too high tends to affect economic activities of any country, therefore the government uses monetary, fiscal and non-monetary measures to control it." As an economic expert point out three (3) monetary measures and three (3) non-monetary measures used to harmonize the situation.

   (b) Given the following information from hypothetical country X:
   - Current year price for commodity Y is Tsh 205/=
   - Base year price is Tsh 200/=

   Calculate inflation rate and comment on your answer.

4. (a) Given the following demand schedule of Sangara fish in a certain market.

Price of Sangara fish (Tsh)	6000	7000	8000	9000
Quantity demanded (Kg)	10	8	6	4

   Use the above information to answer the following questions:
   (i) What does the schedule imply?
   (ii) Plot the demand curve.
   (iii) Formulate the demand equation.
   (iv) Calculate elasticity of demand at the price of Tsh 6000.

   (b) The price of Sharubati juice at the market was constant. However, the quantity supplied was 200 litres per day. After few weeks rain season started and its supply dropped to 120 litres per day. Point out any other five (5) factors responsible for the above situation.

5. "With the implementation of the privatization and retrenchment policy, Tanzania is likely to loose." Support this contention by giving six (6) points.

SECTION C (40 Marks)

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

6. Increase in population leads to increase in labour force, despite this economic benefit, explain why we take measures to control such increase. (Six (6) points).

7. All firms have their long-term goals, but many of them fail to achieve their goals. Explain any six (6) problems which cause their failure.

8. "There are different economic systems in the world, but all have similar objectives." Justify the statement by giving five (5) points.

Wabillah Tawfiq