TANZANIA HEADS OF ISLAMIC SCHOOLS COUNCIL

FORM SIX INTER ISLAMIC MOCK EXAMINATION

ECONOMICS 1

(For Both School and Private Candidates)

151/1

TIME: 3 Hours **Wednesday, 04th March 2026 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. Communication devices 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** questions from this section.

1. According to Tanzania labour law, workers are allowed to move occupationally throughout the country but not all workers can do so. Under what circumstances this can happen? Give five points

2. Despite its usefulness in illustrating the idea of opportunity cost, choice and utilization of economic resources, production possibility boundary is unrealistic. Prove this statement using five (5) points

SECTION B (40 Marks)

Answer **two** questions from this section

3. a) Study table **A**, and table **B** and then answer questions that follow.

FIRM A

Quantity demanded and sold	Price	TR	MR
1	40		
2	40		
3	40		
4	40		
5	40		
6	40		
7	40		
8	40		

FIRM B

Quantity demanded and sold	Price	TR	MR
1	80		
2	70		
3	60		
4	50		
5	40		
6	30		
7	20		
8	10		

i. Fill in the columns for TR and MR for both firms
ii. Distinguish between the two types of the firms
iii. In each firm explain with illustration the relationship between AR and MR
iv. When MC is 40 how many units should firm B produce to maximize profits?

b) Sometimes oligopoly firms compete on the basis of other things other than price as an attempt to widen their markets in the same industry. Briefly explain five forms of non-price competition used in Tanzania.

4. a) Increase or decrease in demand does not always influence the market price. Using illustration show how this situation may occur. Give five points

b) Given the following supply question and market demand question as follows

$Qd = 90 – 15P$
$Qs = -2.5 + 1.5P$

Where;

Qd = Quantity demanded

Qs = Quantity supplied

P = Price of a commodity

If number of sellers in the market is 6;

(i) Find equilibrium market price and quantity

(ii) Determine price elasticities at equilibrium

(iii) Identify whether there is shortage or surplus when price is 4

5. a) The information given are derived from Ilala Market during Ramadhan between 2022 and 2024. Study the data in the table then answer questions that follow.

Commodity	**2022**		**2024**	
	Price	**Quantity (Kg)**	**Price**	**Quantity (Kg)**
Sugar	190	12	510	18
Sweet potatoes	590	7	1110	14
Irish Potatoes	390	7	510	15
Beans	170	32	310	30
Rice	210	22	410	30
Tomatoes	270	20	300	38

Calculate:

(i) Laasper's price index, use 2022 as base year

(ii) Paa che's price index and give interpretation of the answer.

b) Inflation has both negative and positive impacts to the economy. Justify this statement by giving three points each side.

SECTION C (40 Marks)

Answer **two** questions from this section.

6. In what ways privatization policy and economic development of a country such as Tanzania is inseparable? Provide six points

7. Tanzania population count about 61.7 million as per Census of 2022. As economist examine six ways through which such number of people can be a hindrance to the economic development.

8. Despite the efforts made by the government to employ people in educational and health sectors, majority are unemployed. As economist explain why this condition persists? Give six points