

**INTERSECONDARY SCHOOLS EXAMINATION SERIES
ISESE
FORM SIX MONTHLY TEST AUGUST
ECONOMICS 1**

Time: 3 Hours

INSTRUCTIONS

1. This paper consists of section A, B and C with the total of **eight (8)** questions.
2. Answer **ALL** questions in section A and **two (2)** questions in section B and C.
3. Section A carries **twenty (20)** marks and section B and C carries **forty (40)** marks each
4. All unauthorized materials are not allowed in the examination room.
5. Non-programmable calculator may be used.

SECTION A (20 Marks)

Answer **ALL** questions in this section

1. Given the following demand and supply function

$$D = 150 - 2P$$

$$QS = -70 + 3P$$

- i. Determine market price and quantity
 - ii. If the government fixes the price at the level of 30Tsh from the market price obtained in (a) above, determine the amount of the shortage or surplus.
 - iii. Graphically present your answer obtained in (a)(ii) above.
- (b) What are the other effects caused by the action of the government taken in (a)(ii) above? (Five (5) points)
2. Public sectors and private sectors are the main form of economic systems in the world, which are differs in their operations. In reality, all economics are mixed to some degree but very in their extent to which their government intervenes. Substantiate this statement by giving five (5) points.

SECTION B (40 Marks)

Answer any **TWO** questions from this section.

3. (a) With the aid of diagrams, describe the types of elasticity of demand
- (b) Explain any five (5) non-pricing factors that affect demand for sunflower oil in various cities in Tanzania.
4. (a) Carefully study the given information and answer the questions that follow

	2015		2020	
COMMODITY	Price (Tshs)	Weight	Price (Tshs)	Weight
Sugar	2,000	5	2,500	8
Rice	1,500	8	2,100	6
Beans	2,000	4	3,000	5

Calculate

- (i) Price relative for each commodity over period.
 - (ii) Laspayer's price index and comment
 - (iii) Why Laspayer's price index is more meaningful compared to Paacche's price index?
- (b) Under what circumstances does increase in money supply does not lead to the rise in the general price level. Give five (5) points

5. You are given the following data of population in Kilosa District on 30th May 1995

AGE GROUP	FEMALE	MALE	TOTAL
0 - 14	8337	8740	17077
15 - 64	14075	13998	28073
65 - Above	5878	4040	9918
Total	28290	26778	55068

Required

- (i) Comment on the information tabulated above
 - (ii) Calculate the dependent ratio of the district named above.
 - (iii) Explain why the author has given the reference time.
 - (iv) Calculate the sex ratio and give its economical interpretation.
- (b) Analyse five (5) benefits of adopting family planning policy to a developing country like Tanzania.

SECTION C (40 Marks)

Answer any **TWO** questions in this section.

6. In six (6) points, discussing how developing countries like Tanzania handle the pressure of negative externalities in their economies.
7. Tanzania is committed to sustainable development through medium and long term social economic growth. With six (6) points explain the application of the sustainable development in Tanzania.
8. "The study of population is of great importance to different professionals". Discuss this quotation focusing on your side as an economist. Give six (6) points



KWA MAHITAJI YA

- 1. MONTHLY TEST ZA ADVANCE KWA MASOMO YOTE**
 - 2. SERIES ZA ADVANCE ZA KILA SOMO**
 - 3. SERIES ZA O'LEVEL ZA KILA SOMO**
- WASILIANA NASI KWA NAMBA **0624 254 757****

N.B

PIA **U.B.N COOPERATION KWA KUSHIRIKIANA NA **ISESE**
TUNAWAKARIBISHA WAKUU WA SHULE NA
WATAALUMA KUJIUNGA KATIKA GROUP LETU LA
MONTHLY TEST AMBALO UTAPATA MITIHANI YA
ADVANCE YA KILA MWEZI PAMOJA NA MARKING ZAKE
KWA GHARAMA YA **TSH 100,000** (KWA MIEZI MITATU)
NA **TSH 150,000** (KWA MIEZI SITA)**

KARIBUNI SANA