

THE UNITED REPUBLIC OF TANZANIA
NATIONAL EXAMINATIONS COUNCIL
ADVANCED CERTIFICATE OF SECONDARY EDUCATION EXAMINATION

151/2

ECONOMICS 2
ECONOMIC DEVELOPMENT
(For Both School and Private Candidates)

Time: 2½ Hours

Thursday 06 May 2004 a.m.

Instructions

1. This paper consists of sections A and B.
2. Answer five (5) questions, choosing at least two (2) questions from each section.
3. All questions carry equal marks.
4. Credit will be awarded for brief and well argued answers.
5. Cellular phones are not allowed in the examination room.
6. Write your Examination Number on every page of your answer booklet(s).

This paper consists of 2 printed pages

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SECTION A

1. Below is the population data for Mainland Tanzania, reference time August 20 – 21, 2000.

Age Group (Years)	Number of People
0 – 14	16,997,459
15 – 59	16,563,787
60 and above	3,989,672

- (a) Calculate the dependency ratio.
 - (b) Give the economic implication of the ratio obtained.
 - (c) Why is reference time given?
2. How can you differentiate economic growth from economic development?
3. Explain how the multiplier process and the acceleration principle may cause unemployment.
4. To increase or decrease money supply is the prerogative of the Central Bank. How?
5. Why may Tanzania be classified as a dependent economy?

SECTION B

6. Outline the main functions of the Co-operative and Rural Development Bank (CRDB).
7. Discuss briefly the constraints to economic development planning in Tanzania.
8. Co-operatives in Tanzania have an upward task in the marketing and distribution of their products. Explain.
9. How can currency devaluation improve the balance of payments?
10. Why is economic integration a bitter pill to some countries?