**DARAJANI SECONDARY SCHOOL,**

**P.O. BOX 20-90129, NGWATA.**

**TERM 2-2015, C.A.T 2**

**FORM 4**

**BUSINESS STUDIES**

**NAME…………………………………………………………………………………………ADM. NO……………….. CLASS:…………….**

Answer all questions

1. Outline four roles of central bank in an economy. (4 marks)

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1. State four reasons why countries prepare development plans. (4 marks)

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1. Outline four negative effects of high taxation in an economy. (4 marks)

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1. Identify any four barriers to international trade that are imposed by government. (4 marks)

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1. Kenya is yet to realize its vision 2030 plan. Outline four factors that can hinder Kenya from realizing its vision 2030. (4 marks)

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1. Give four reasons why a high rate of inflation is undesirable to a country. (4 marks)

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1. Highlight any four principles that the governor of Makueni County should consider before spending money allocated to the county. (4 marks)

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1. State four benefits that Kenya may get as a member of C.O.M.E.S.A. (4 marks)

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1. Outline four measures a country may take to reduce imports. (4 marks)

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1. State any four problems encountered in development planning. (4 marks)

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1. State four roles of the International Monetary Fund (IMF) in economic development. (4 marks)

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1. Outline four factors that influence the amount of money held by an individual for precautionary motive. (4 marks)

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1. Outline four positive effects that are associated with inflation. (4 marks)

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1. State four causes of cost-push inflation. (4 marks)

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1. Highlight any four goals of economic development. (4 marks)

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1. Explain five reasons that contributed to the difference in terms of trade among nations. (10 marks)

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