

P220/2
ECONOMICS
Paper 2
July/August 2024
3 Hours

SECONDARY SCHOOLS JOINT MOCK EXAMINATIONS, 2024

Uganda Advanced Certificate of Education

ECONOMICS

PAPER 2

3 Hours

INSTRUCTIONS

Answer five questions only.

Section A is compulsory. Answers to this section should be concise

Answer four questions from section B.

All questions in section B carry equal marks

Credit will be given for use of relevant diagrams

Any additional questions attempted will not be marked.

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Turn over

SECTION A (20 MARKS)

1. (a) (i) Define income elasticity of demand. 1 mark
(ii) Give any three uses of income elasticity of demand in Uganda. 3 marks
- (b) State four features of export sector in Uganda. 4 mark
- (c) (i) Define interest rate. 1 mark
(ii) Give any three measures to stabilize interest rate in Uganda. 3 marks
- (d) (i) Distinguish between a hard loan and a soft loan. 2 mark
(ii) State three reasons why Uganda continues to rely on loan. 3 marks
- (e) (i) What is meant by the term tax compliance? 1 mark
(ii) Give three benefits of tax compliance in Uganda. 3 marks

SECTION B (80 MARKS)

2. (a) Explain the factors that may cause a decrease in the rate of economic growth in Uganda. 10 marks
(b) Explain the demerits of a low rate of economic growth in Uganda. 10 marks
3. (a) Describe the structure of agricultural sector in Uganda. 6 marks
(b) Why is there need to change the structure of agricultural sector in Uganda? 14 marks
4. (a) Explain the centres of voluntary unemployment in Uganda. 10 marks
(b) What measures have been adopted to reduce unemployment in Uganda? 10 marks

5. (a) Describe the features of banking financial intermediaries in Uganda. **6 marks**
(b) Explain the functions of banking financial intermediaries in Uganda. **14 marks**
6. (a) Why does Uganda experience unfavourable terms of trade? **10 marks**
(b) Suggest measures that should be adopted to improve terms of trade in Uganda. **10 marks**
7. (a) Explain the attributes of a good tax system. **10 marks**
(b) Explain the role of taxation in economic development of Uganda. **10 marks**

END