

P220/2

ECONOMICS

Paper 2

July/August.2023

3 hours



UGANDA NATIONAL ECONOMICS & ENTREPREURSHIP SOCIETY (UNEESO)

Uganda Advanced Certificate of Education

Mock Examinations 2023

ECONOMICS

Paper 2

3 hours

INSTRUCTIONS TO CANDIDATES:

Answer **FIVE** Questions only.

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

Answer **FOUR** questions from Section B. Rubric(s) shall not be marked

All questions in section B carry equal marks.

Credit will be given for use of relevant graphs.

SECTION A (20 Marks)

1. (a) (i) What is meant by ‘**aggregate demand**’? (01 mark)
(ii) State any **three** causes of the recent increase in aggregate demand in Uganda. (03 marks)
- (b) (i) Differentiate between **gross national product valued at market product** and **net national product valued at factor cost**. (02 marks)
(ii) Mention any **two** uses of compiling national income statistics in Uganda. (02 marks)
- (c) (i) Describe the term **Credit Multiplier**. (01 mark)
(ii) Give any **three** measures that can be taken to encourage credit creation in Uganda. (03 marks)
- (d) (i) What is meant by “**Commercial Policy**”? (01 mark)
(ii) Mention any **three** causes of a narrow tax base in Uganda. (03 marks)
- (e) (i) What is meant by **Voluntary unemployment**? (01 mark)
(ii) Mention any three causes of unemployment in Uganda. (03 marks)

SECTION B (80 Marks)

2. (a) Explain the role of **private investment** in Uganda. (10 marks)
(b) Explain the factors that affect the level of private investment in Uganda. (10 marks)
3. (a) Describe the structure of the **agricultural sector** in Uganda. (08 marks)
(b) Examine the **economic consequences** of the structure of the agricultural sector in Uganda. (12 marks)
4. (a) Discuss the **costs** of high population growth in Uganda. (10 marks)
(b) Suggest measures that should be taken to control **population growth** in Uganda. (10 marks)
5. (a) Explain the merits of **persistent inflation** in Uganda. (10 marks)
(b) Why is there **need to** control inflation in Uganda? (10 marks)
6. (a) Account for economic **development planning** in Uganda. (10 marks)

- (b) Discuss the factors that **limit** effectiveness of economic development planning in Uganda. (10 marks)
7. (a) Distinguish between **tax compliance** and **tax avoidance**. (10 marks)
- (b) Account for the low level of **tax compliance** in Uganda. (10 marks)

END

Best wishes and Good Luck

“An investment in knowledge pays the best interest” Benjamin Franklin

Contact office; +256-772-235-199/+256 414 694 366/+256-752-695-456/+256-700-448-005