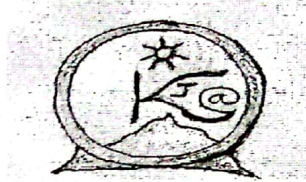


P220/1
ECONOMICS
PAPER 1
JULY/AUG 2023
3 HOURS



KARAMOJA JOINT MOCK EXAMINATIONS BOARD
UGANDA ADVANCED CERTIFICATE OF EDUCATION
ECONOMICS
PAPER 1
3HOURS

INSTRUCTIONS TO CANDIDATES:

Answer **five** questions

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

Answer **four** questions in section **B**.

All questions in section **B** carry equal marks.

Credit will be given for use of relevant diagrams.

Any additional question(s) answered will **not** be marked.

SECTION A: (20MARKS)

ANSWER ALL PARTS OF THIS QUESTION

1. a)i) Distinguish between consumer surplus and consumer sovereignty(2marks)
ii) Study the table below and answer the questions that follow.

Price per unit	300	250	200	150	100	50
Quantity demanded	1	2	3	4	5	6

Given that the market price is shs 150, calculate the consumer's surplus(2marks)

- b)i) What is a "laissez-faire" economy (1mark)
ii) Give three demerits of a laissez-faire economy (3marks)
c)i) Define the term "Marginal Revenue" (1mark)
ii) State the relationship between average revenue and marginal revenue of perfectly competitive firm (3marks)
d) state any four features of Rostow's drive to maturity stage of economic growth (4marks)
e)i) Define the term "perspective plan" (1mark)
ii) Mention any three problems faced in formulating perspective plan(3marks)

SECTION B: (80MARKS)

2. a) Differentiate between price legislation and price discrimination (4marks)
b) Explain the necessary conditions for the effectiveness of price discrimination (16marks)
3. a) Differentiate between Gross National Product(GNP) and Gross Domestic Product(GDP) (4marks)
b) Why is it necessary to compute National Income statistics? (16marks)
4. a) Explain the Malthusian theory of population (6marks)
b) What are the limitations of the Malthusian theory of population (14marks)
5. a) What is meant by stagflation? (4marks)
b) Under what circumstance may inflation be desirable in an economy? (16marks)
6. a) Differentiate between a surplus budget and a deficit budget (4marks)
b) Examine the significance of a government budget as a tool of economic policy (16marks)
7. a) Explain the iron law of wages (6marks)
b) Examine the factors that determine the level of wages in an economy (14marks)