

P220/1

Economics

Paper 1

July - August, 2022

3 Hours



UGANDA MUSLIM TEACHERS' ASSOCIATION

UMTA JOINT MOCK EXAMINATIONS 2022

UGANDA ADVANCED CERTIFICATE OF EDUCATION

Economics

Paper 1

3 Hours

INSTRUCTIONS TO CANDIDATES

- *Attempt five questions only*
- *Section A is compulsory. Answers to this section should be precise*
- *Answer four questions in section B*
- *Credit will be given for the use of relevant diagrams*
- *Do not answer extra questions from section B since they will not be marked*
- *Draw an answer grid on the first page of your script and indicate attempted questions.*

SECTION A (20 MARKS)

- 1(a)(i) What is meant by the term price mechanism? (1mark)
- (ii) State **three** merits of relying on the price mechanism in an economy. (3 marks)
- b (i) Define the term income inequalities. (1 mark)
- (ii) Mention any **three** demerits of income inequalities in an economy. (3 marks)
- c (i) Give **four** merits of export promotion industries to an economy. (4 marks)
- d (i) Define the term collective bargaining. (1 mark)
- (ii) Mention **three** methods used by trade unions to negotiate for the improvement in their member's welfare. (3marks)
- e (i) Distinguish between private finance and public finance. (2 marks)
- (ii) Give any **two** objectives of public finance. (2 marks)

SECTION B (80 MARKS)

- 2(a) What is the significance of measuring National income in developing countries? (8 marks)
- (b) Explain the statistical problems faced when compiling National income statistics in developing countries. (12 marks)
- 3(a) Discuss the factors that give rise to monopoly in an economy. (10 marks)
- (b) Suggest measures that can be used to reduce monopoly power in an economy. (10 marks)

- 4(a) Discuss the benefits of economics growth to an economy. (10 marks)
- (b) Account for the low rates of economics growth in developing countries. (10 marks)
- 5(a) Given that the final amount of credit created is Shs. 150,000 billion and the cash ratio is 0.5%, Calculate the Initial Deposit. (4 marks)
- (b) Explain the factors that limit credit creation in an economy. (16 marks)
- 6(a) why do countries restrict Trade with other countries? (8 marks)
- (b) Explain the demerits of restricting International Trade on an economy. (12 marks)
- 7(a) Account for the high public debt in developing countries. (10 marks)
- (b) Explain the methods used to settle public debts in developing countries. (10 marks)

END

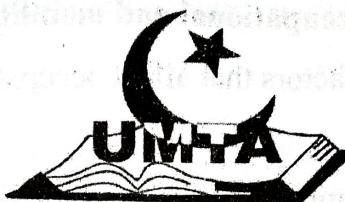
P220/2

Economics

Paper 2

July - August 2022

3 Hours



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Economics

Paper 2

3 Hours

Answer five questions only.

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

Answer four questions from section B. All questions in section B carry equal marks.

Any additional question(s) attempted will not be marked.

Credit will be given for use of relevant diagrams.

List the question numbers in the order attempted.

Question Number attempted	Marks
TOTAL	

SECTION A. (20 MARKS)

1. (a) (i) What is meant by **Occupational and mobility of labour?** (1mark)
(ii) Mention any **three** factors that affect occupational mobility of labour in Uganda. (3marks)
- (b)(i) Define the term **foreign aid.** (1mark)
(ii) State any **three** reasons for foreign aid dependence in Uganda. (3marks)
- (c)(i) Define the term **structural unemployment.** (1mark)
(ii) Suggest any **three** solutions to structural unemployment in Uganda. (3marks)
- (d)(i) Distinguish between **direct taxes** and **indirect taxes.** (2marks)
(ii) Give any **two** merits of direct taxes in Uganda. (2marks)
- (e)(i) Define the term **divesture.** (1marks)
(ii) State any three factors that hindered divesture in Uganda. (3marks)

SECTION B (80 MARKS)

2. (a) Explain the uses of price elasticity of demand in Uganda. (6marks)
(b) Discuss the factors that make demand for goods price inelastic in Uganda. (14marks)
3. (a) Examine the factors that have influenced the level of foreign direct investment in Uganda. (10marks)
(b) Assess the role of foreign direct investment in Uganda. (10marks)
4. (a) Why is there need to industrialize the economy of Uganda? (10marks)
(b). Discuss the factors that are limiting the industrialization process in Uganda. (10marks)
5. (a) Describe the features of Uganda's population. (8marks)
(b) Assess the effects of high population growth in Uganda. (12marks)

6. (a) Discuss the importance of monetary policy in Uganda. (6marks)
- (b) Account for the failure at successful implementation of the monetary policy in Uganda. (14marks)
7. (a) Explain the demerits of persistent inflation in Uganda. (10marks)
- (b) Describe the measures that have been taken to reduce the rate of inflation in Uganda. (10marks)

END