

P220/2
Economics
Paper 2
July/August 2023
3 hours

BUGANDA EXAMINATION COUNCIL MOCKS

Uganda Advanced Certificate of Education

ECONOMICS

PAPER 2

3 HOURS

INSTRUCTIONS TO CANDIDATES:

- Answer *five* questions only
- Section *A* is compulsory. Answers to this section should be concise.
- All questions from section *B* carry equal marks.
- Any additional question(s) answered will not be marked.
- Credit will be given for use of relevant diagrams.

SECTION A (20 MARKS)

- 1(a)(i) Distinguish between Resale price maintenance and Reserve price. (02marks)
- (ii) State any two advantages of Resale price maintenance in Uganda. (02marks)
- (b)(i) Define the term price index. (01mark)
- (ii) Mention three uses of price index in Uganda. (03marks)
- (c)(i) Differentiate between excess capacity and over production. (02marks)
- (ii) Give two causes of excess capacity in Uganda. (02marks)
- (d)(i) Define the term Economic Development. (01mark)
- (ii) Mention any three objectives of economic development in Uganda. (03marks)
- (e)(i) What is meant by Value Added Tax? (01mark)
- (ii) State any three advantages of Value Added Tax in Uganda. (03marks)

SECTION B (80 MARKS)

Attempt any **four** questions from this section.

- 2(a) Distinguish between labour efficiency and labour productivity. (04marks)
- (b) Explain the factors that limit productivity of labour in Uganda. (16marks)
- 3(a) What are the features of an informal sector? (06marks)
- (b) Assess the contribution of the informal sector in Uganda. (14marks)
- 4(a) Explain the cause of unemployment in Uganda. (10marks)
- (b) Suggest measures of reducing the unemployment problem in Uganda. (10marks)
- 5(a) Differentiate between Banking Financial institutions and Non-Banking Financial institutions. (04marks)
- (b) Explain the functions of banking financial institutions in Uganda. (16marks)
- 6(a) How are wages determined in Uganda? (06marks)
- (b) Account for wage differences in Uganda. (14marks)
- 7(a) What is meant by economic development planning? (04marks)
- (b) Why does Uganda carryout economic planning? (16marks)

END