

GETTING A DISTINCTION IN ECONOMICS**Economics P220/1&2****GENERAL COMENTS; (SECTION A)**

- Section A must be concise and precise (brief and meaningful)
- Answers must be direct to the question (respond to the language used to set the question)
- Proper statement of the formula and right substitution followed by appropriate units if any on final answers
 - YED
 - PED
 - CED
 - PES
 - CES
 - Multiplier and accelerator principle
 - Adjustment in national income
 - Consumer and producer surplus
 - Dependence ratio
 - TOT
 - MP,AP,TP,MR,AR,TR,MC,AC and TC
 - Comparative advantage/opportunity cost
- Answers related to roles/contributions are responded to in simple tense with phrases like
 - Promotes.....
 - Facilitates....
 - Determines...
 - Guides in....
 - Helps to.....
 - Used to....
 - Act as.....
- Singular concepts and plural concepts must be observed ,
For plural concepts (financial institutions / commercial banks)
 - Promote
 - Facilitate
 - Help to
 - Used as
 - Act as
 - Determine
 - Guide in
- For terminology related questions (give a direct meaning of the concept)
- In case of distinguish/differentiate a statement that separate the concepts must be written clearly that is to say WHILE/WHEREAS/YET
- Questions about Aim/Motive/Objective/Intention/ rationale/Goal/reasons why..... here we use
 - ✓ To.....
 - ✓ So as to.....

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- ✓ (Sometimes) fear of.....
- For circumstantial questions we use
 - ✓ Incase....
 - ✓ When.....
 - ✓ If.....
- Effects/impacts/implications/ consequences questions
Both positive and negatives unless otherwise
Separate positive effects from negative effects to enable identification of concepts with biased effects
 - Hyperinflation (only negative)
 - Mild inflation (only positive)
 - Economic dependence (LDCs) (only negatives)
 - Income inequality (in LDCs) (only negatives)
 - Balance of payment deficits. (only negatives)
 - Unemployment (only negatives)
 - Inflation (both)
- Significance / importance related questions
 - Used to.....
 - Helps to / help to.....
 - Guides in/guide in.....
 - Acts as.....

SECTION B (BOTH PAPER 1 AND 2)

- Questions in section B are determined by
 - I. Content masterly
 - II. Question interpretation
 - III. Choice of questions to answer
 - IV. Proper point statement and explanation
- Determinant questions;
 - Demand/elasticity of demand
 - Supply /elasticity of supply
 - Production concepts i.e. labour, capital entrepreneurship
 - Price mechanism
 - National income/ economic growth/sol/investment

E.g. explain the factors that influence the level of credit creation in Uganda

Point statement	Explain how the factor lead to	Explain how the factor lead to
State neutral point	High credit creation	Low credit creation

- Questions related to shifts /change /instabilities
 - ✓ Change in supply
 - ✓ Change in demand
 - ✓ Change in national income

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- ✓ Change in tax compliance levels
Point statement is neutral with prefix change in the....

Change in the level of capital	Explain how the factor leads to increase in
	Explain how the factor leads to decrease in.....

- Benefits /merits/advantages/positive effects/arguments for/positive implications/positive externalities

Use phrases like

- Encourages/encourage
- Ensures /ensure
- Promotes/promote
- Creates/create
- Etc.....

- Demerits/dangers of relying on/demerits/costs/disadvantages/negative effects/negative implications/negative externalities/arguments against

Use phrases like

- ❖ Leads
- ❖ Results
- ❖ Worsens
- ❖ Necessitates
- ❖ Etc.....

- Determinants (neutral points)
- Limiting factors/barriers/constraints/low/discourage (negatively biased answers)
- Promoting/encourage/high/boast/enhance (positively biased answers)
- variational determinants (negative variated points)

- ✚ change in
- ✚ variation in
- ✚ instabilities in

- differential questions (wage and income inequality)

- differences in
- variations in

- Biased questions of matters arising from determinants

- ✓ Point statement is biased i.e. has one direction
- ✓ Explanation focus on the cause of such a direction

- QUESTIONS ARISING FROM MARKET STRUCTURES

Curve drawings

- ↙ Axes should be well labelled
- ↙ Heading of illustration indicated
- ↙ Nature of demand curve observed
- ↙ Nature of MR curve
- ↙ Minimum points of AC and MC curve must be observed

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- Curves drawn must be labeled clearly
 - Explanation should relate to curve drawn
- Perfect competition dd curve= MR and are perfectly elastic, long run profits are normal
- Monopoly Abnormal profits , in elastic AR/DD curve
- Monopolistic competition
 - ✓ Abnormal profits in the short run
 - ✓ Normal profits in the long run (excess capacity)
 - ✓ Elastic demand curve
- OLIGOPOLY
 - Demand curve is kinked/bent
 - MR curve is disjointed (has a discontinuous portion)
- FEATURES OF MARKET STRUCTURE

They have no conventional qualifiers e.g. mainly, basically, predominantly....

No explanation is needed
- MERITS AND DEMERITS OF MARKET STRUCTURES

Point statement Merit/implication	Explanation Relate to the features of market structures Show how it comes about
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- QUESTIONS ABOUT STRUCTURE OF UGANDAS ECONOMY
 - ✓ Structure of the economy (some features are already qualified eg closed economy)
 - ✓ Structure of industrial sector
 - ✓ Structure of agricultural sector
 - ✓ Structure of population
 - ✓ Structure of formal and informal sector
 - ✓ Structure of labour force
 - ✓ Structure of foreign sector (import –export sector)

Features are supposed to be qualified with words like

 - Mainly..
 - Basically..
 - Predominantly..
 - Majorly...
- MERIT AND DEMERIT OF INDUSRIAL SECTOR

Point statement State the merit/demerit	Explanation Relate to the features of the structure (sector)
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- HOW TO CHANGE THE STRUCTURE OF THE ECONOMY

Objective setting question

Point statement To	Explanation How the objective is achieved
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If the structure has demerits, set objectives to overcome the demerit and the explanation should be positive (outcome of the objective)

- QUESTIONS ON ECONOMIC DEPENDENCE

Merits and demerits

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State the point Merit/demerit	Explanation Relate to the form of economic dependence(outcome of the demerit)
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- QUESTIONS RELATED TO GENERAL IMPACTS/EFFECTS/CONSEQUENCES

State the implication	Explanation How the implication comes about
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- QUESTIONS RELATED TO REASONS/RATIONALE/AIM/OBJECTIVES/GOALS/INTENTIONS

State an objective	Explain how the objective is achieved
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- QUESTIONS THAT ARE CIRCUMSTANTIAL

E.g. why may inflation be desirable?

Point statement Circumstantial point (incase ...	Explanation Outcome(result of the circumstance)
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- QUESTIONS THAT CALL FOR MEASURES/SOLUTIONS/STEPS UNDER TAKEN

- Tense must be observed in point statement
- Effect must be indicated/command in the desired direction

Point statement In the right tense	Outcome of the measure	How the outcome solves the problem/improves the lagging conflict
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- QUESTIONS THAT CALL FOR FUNCTIONS/ROLES

Singulars and plurals should be strictly observed

Point statement State what the concept does	Explanation How the concept does that
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- QUESTIONS THAT CALL FOR THEORIES

- Theories that have stages clearly observe all the stages

Demographic transition (4 stages)

Rowstow's theory (5stages)

- Theories that have ¾ parts

- Statement of the theory
- Explanation of the theory
- Illustration
- Assumptions
- Strengths
- Weaknesses

No serious explanation needed

- QUESTIONS THAT CALL FOR DELIBERATE CAUSES

- Inflation
- Unemployment

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the moment is yet to unfold

- Agricultural price fluctuations
- Balance of payment (deficits)
- Terms of trade
- Budgetary deficits
- Huge debt burden

Point statement Cause of the concept	Explanation Outcome of the cause in relation to the concept
INFLATION	Increasing aggregate demand Or Reducing aggregate supply Or Rise in prices of commodities (automatic)
UNEMPLOYMENT	How the cause results into losing of the jobs
AGRICULTURE PRICE FLUCTUATIONS	How the cause result into rise in prices of agricultural products or fall in price of agricultural products
BALANCE OF PAYMENT (deficits)	How the cause results into increased expenditure abroad and reduced earnings abroad
TERMS OF TRADE (unfavorable)	How the cause result into fall in price of exports and rise in price of imports
BUDGETARY DEFICITS	How the cause result into increasing in expenditure exceeding planned expenditure Or decrease in revenue below the planned earnings

- SKILLS OF ANSWERING GENERAL QUESTIONS

Asses / examine (role) two sided ie role and negative outcome of role

Discuss/what is/explain/ (role) only positive

Discuss/explain/what are the (effects/implications/consequences) explain both positive and negative

Account for (determinants/deliberate causes/reasons) same as above

DISCUSS at the end of the question

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In case of one concept explain merits and demerits separately

In case it combines two concepts

1. explain merits of one and demerits of the other on one side
2. explain merits of the other concepts and demerits of the former concept on the other side

QUESTIONS CONCERNING PRINCIPLES/CANONS

State the principle

explain meaning of the principle

QUESTIONS CONCERNING QUALITIES OF /PREREQUISITES

State the quality A good tax should be..... State the prerequisite	Explain the meaning of the quality and outcome
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PROCEDURAL QUESTIONS

1. follow the steps in their right order
2. price indices (order can change)
3. credit creation process
4. investment multiplier process

QUESTIONS THAT CALL FOR METHODS

- wage determination
- price determination
- public debt managements
- price mechanism control
- methods used by labor organizations

State the method explain how it is applied

IN CASE A QUESTION CALLS FOR WAYS (APPLICATIONS)

We use through, by....

QUESTIONS THAT CALL FOR METHODS USED BY OLIGOPOLISTIC FIRMS TO INCREASE SALES

State the method in application way and explain how it increases sales

GENERAL COMMENTS

- ❖ read questions and understand
- ❖ make a plan for questions chosen
- ❖ attempt all the required questions
- ❖ endeavor to explain appropriately as required
- ❖ attempt the theory and market structure questions when you are sure
- ❖ make opening statements in section A and B
- ❖ number your work correctly to avoid losing marks

ALL THE BEST AS YOU STRIVE FOR THAT DISTINCTION

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