

**ECONOMICS SEMINAR QUESTIONS
AT MAKERERE HIGH SCHOOL MIGADDE
ON SATURDAY 13/07/2024**

- a) i) What is meant by an opportunity cost curve?
 - ii) State **three** reasons why the opportunity cost curve may shift
- b) Distinguish between
 - i) Public goods and Free goods
 - ii) Inferior goods and Giffen goods
- c) i) Distinguish between an increase in demand and an increase in quantity demanded
 - ii) State **two** conditions under which demand for a good may increase in an economy.
- d) i) Distinguish between elasticity of supply and price elasticity of supply
 - ii) List **three** determinants of elasticity of supply in an economy.
- e) i) What is meant by amalgamation of firms?
 - ii) State **three** dangers of amalgamation of firms in an economy.
- f) i) What is meant by the term retail price index?
 - ii) Give **three** challenges encountered in the compilation of price index in Uganda.
- g) i) Distinguish between economic independence and economic interdependence.
 - ii) Suggest **two** ways of reducing economic dependence in Uganda.
- h) i) Distinguish between balanced growth and unbalanced growth theories of economic growth.
 - ii) State **two** reasons for adopting a balanced growth theory in an economy.
- i) i) Distinguish Bilateral aid and Multilateral aid.
 - ii) State any **two** benefits of relying on foreign aid in developing countries.
- j) i) State the Keynesian theory of Unemployment.
 - ii) Outline any **three** relevancies of the Keynesian theory of unemployment in Uganda.
- k) i) Differentiate between money supply and money demand.
 - ii) State **two** factors that may lead to an increase in money supply in Uganda.
- l) i) Distinguish between mild inflation and hyper inflation.
 - ii) Give any **two** effects of hyper-inflation in an economy.
- m) i) Differentiate between tax avoidance and tax evasion.
 - ii) Give **two** roles of taxation in developing countries.
- n) i) Distinguish between currency devaluation and currency depreciation.
 - ii) List **two** conditions for the success of currency devaluation in an economy.
- o) i) Distinguish between centralized planning and decentralized planning.
 - ii) State any **two** factors that affect economic development planning in developing countries.

SECTION B

- 1. (a). Distinguish between a market economy and a command economy.
 - (b). Examine the costs and benefits of a market economy.
- 2. (a). What is the difference between competitive supply and joint supply?
 - (b). Examine the causes of a change in supply of a commodity in an economy.

- (c). Discuss the factors that affect supply of a commodity in an economy.
3. (a). Assess the role of price Mechanism in an economy.
(b). Discuss the challenges of price Mechanism in the allocation of resources in Uganda.
4. (a). Account for unstable prices of agricultural products in Uganda.
(b). Examine the impact of Unstable prices of agricultural products in Uganda.
5. (a). Distinguish between perfect competition and pure competition.
(b). State the assumptions of a perfectly competitive market structure.
(c). How does a firm under perfect competition determine output, price and profit in the:
(i). Short run
(ii). Long run
6. (a). Distinguish between perfectly monopoly and imperfect monopoly.
(b). How does imperfect monopoly arise in Uganda?
(c). Examine the impact of imperfect monopoly in Uganda.
7. (a). Distinguish between national income at factor cost and national income at Market price.
(b). Discuss the factors that have affected the levels of national income in Uganda.
(c). Suggest measures that can be taken to increase the level of national income in developing countries.
8. (a). Differentiate between real per capita income and nominal per capita income.
(b). Explain the weaknesses of using per capita income to;
(i). Compare economic welfare between countries
(ii). Compare economic welfare in a country over time.
9. (a). Describe the causes of uneven distribution of wealth and incomes in Uganda.
(b). Assess the implications of uneven income and wealth distribution in Uganda.
10. (a). Describe the structure of Uganda's economy.
(b). Explain the dangers of the structure of Uganda's economy.
11. (a). Describe the structure of the industrial sector in Uganda.
(b). Explain the contribution of the industrial sector in Uganda.
(c). Explain the steps being taken to enhance the growth of the industrial sector in Uganda.
12. (a). Distinguish between economic growth and economic development.
(b). Discuss the benefits and costs of economic growth in Uganda.
(c). Suggest measures that may be taken to increase the rate of economic growth in Uganda.
13. (a). Distinguish between labour saving technology and capital saving technology.
(b). "Developing countries should adopt capital saving technology if they are to achieve a faster rate of economic growth" Discuss.
14. (a). Define the term agricultural modernization
(b). Why is it necessary to modernize agriculture in Uganda?
(c). Discuss the challenges to agricultural modernization in Uganda.

15. (a). Distinguish between inward looking and outward looking industrial development strategies.
(b). Assess the impact of an inward-looking industrial development strategy in Uganda.
(c). Explain the constraints of adopting an outward looking industrial development strategy in developing countries.
16. (a). Explain the Malthusian population theory.
(b). What are the assumption of the Malthusian population theory?
(c). To what extent is the Malthusian population theory relevant in Uganda?
17. (a). Describe the structure of Uganda's population.
(b). Asses the effects of this population structure on Uganda's economy.
18. (a). Distinguish between nominal wage and real wage.
(b). Account for low level of wages in Uganda.
(c). Explain the factors that influence the effectiveness of labour Unions in the determination of wages in Uganda.
19. (a). Distinguish between voluntary and involuntary unemployment.
(b). Why is it necessary to control involuntary unemployment in Uganda?
20. (a). Distinguish between banking and non-banking financial intermediaries.
(b). Asses the role of foreign banking financial intermediaries in Uganda.
(c). Discuss the factors that limit the operation of the banking financial intermediaries in Uganda.
21. (a). Distinguish between fiscal policy and monetary policy
(b). Explain the tools used by the central bank to regulate credit creation in Uganda.
(c). Explain the factors that influence the capacity of the central bank to regulate credit creation in Uganda.
22. (a). Distinguish between cost push and structural inflation.
(b). Account for the high rate of inflation in developing countries.
(c). Suggest measures that can be taken to control inflation in developing countries.
23. (a). Explain the role of national budget in an economy.
(b). What are the causes of persistent budget deficits in developing countries?
(c). Suggest measures that may be taken to reduce budget deficit in developing countries.
24. (a).Distinguish between a public debt and a national debt.
(b). Why do countries incur public debts?
(c). Explain the methods used to redeem the public debt in an economy.
25. (a). Define the term protectionism.
(b). Explain the tools of protectionism used in an economy.
(c). Explain the effects of protectionism un an economy.
26. (a). Distinguish between balance of payments and terms of trade
(b). What are the causes of balance of payments disequilibrium in Uganda?
(c). Suggest measures of correcting balance of payments disequilibrium in Uganda.

27. (a). Distinguish between customs union and common market as used in economic cooperation .
(b). Examine the merits and demerits of economic cooperation among developing countries.
(c). Discuss the factors that undermine economic cooperation among developing countries.
28. (a). Describe the features of a good development plan
(b). Why is there need for Economic development planning in developing countries?
(c). Suggest measures that can be taken to enhance the effectiveness of economic development planning in developing countries.
29. (a). Explain the role of public sector in Uganda
(b). Why were public enterprises privatized in Uganda?
(c). Discuss the challenges faced by the private sector in Uganda.

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