

P220/2
ECONOMICS
Paper 2
July/August 2024
3 HOURS



MASAKA DIOCESAN EXAMINATIONS BOARD
Uganda Advanced Certificate of Education
JOINT MOCK EXAMINATIONS 2024
ECONOMICS
PAPER 2
3 hours

INSTRUCTIONS TO CANDIDATES:

1. Answer Five Questions only
2. Section A is compulsory. Answers to this Section should be concise.
3. Answer any four questions from Section B.
4. Credit will be given for the use of relevant diagrams.
5. Any additional question(s) answered will not be marked.

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SECTION A: (20 Marks)

Answer all parts of this question

- (a) (i) Distinguish between cross elasticity of demand and price elasticity of demand. (2 marks)
- (ii) Given that an increase in the price of commodity A from shs.25,000= to shs.40,000= resulted in a change in quantity demanded of commodity B from 750 to 800 units, Calculate cross elasticity of demand. (2 marks)
- (b) (i) Differentiate between Marginal propensity to consume and marginal propensity to save. (2 marks)
- (ii) Mention any two reasons for saving in Uganda. (2 marks)
- (c) (i) Differentiate between appropriate technology and intermediate technology. (1 mark)
- (ii) Give any two arguments for adopting intermediate technology in Uganda. (3 marks)
- (d) (i) State the law of comparative cost advantage. (1 mark)
- (ii) Mention any three factors that limit the application of the comparative cost advantage theory in Uganda. (3 marks)
- (e) (i) What is meant by economic development planning? (1 marks)
- (ii) State any three factors that affect the implementation of development plans in Uganda. (3 marks)

SECTION B: (80 Marks)

Answer any four questions from this section.

2. (a) Explain the methods used by the Central bank to regulate money supply in Uganda? (12 marks)
(b) Discuss the factors that limit the success of the monetary policy in Uganda. (8 marks)
3. (a) State any four traits of Rostow's drive to maturity stage. (4 marks)
(b) Examine the consequences of economic growth in Uganda. (16 marks)
4. (a) Why is there need to modernize the agricultural sector in Uganda? (10 marks)
(b) What steps are being taken to improve the agricultural sector in Uganda. (10 marks)
5. (a) Why is it important to reduce the rate of unemployment in Uganda? (10 marks)
(b) Suggest measures that can be taken to reduce the rate of unemployment in Uganda. (10 marks)
6. (a) Account for the persistent debt burden in Uganda. (8 marks)
(b) Assess the implications of government borrowing on the economy of Uganda. (12 marks)
7. (a) Discuss the factors that limit the growth of the private sector in Uganda. (10 marks)
(b) Explain the contribution of the private sector to the economic development of Uganda. (10 marks)

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