# **UGANDA MARTYRS UNIVERSITY**

# END OF SEMISTER II EXAMS BBAM I, BSTAT&ECON, BAEM I, BSC A&F I, BPSCM I ETC 2021/2022 MANAGERIAL ECONOMICS II /MACROECONOMICS I

DATE: 18/01/2022

TIME: 03 Hours

### Instructions:

- 1. Attempt any FOUR (04) questions
- 2. All questions carry equal marks
- 3. Do not write anything on the questions paper.
- 4. Carefully read through ALL the questions before attempting.
- 5. No names should be written anywhere on the examination booklet.
- 6. Ensure your work is clear and readable. Untidy work shall be penalized.
- 7. Any type of examination Malpractice will lead to automatic disqualification.
- 8. Ensure that your ID number is indicated on all pages of the examination answer booklet.

## **Question One**

You have graduated from university and now you are employed with the ministry of Economic Planning and Development, with practical examples, explain how this course unit is helping you in performing your duties and responsibilities.

(25 Marks)

# Question Two

Currently in Uganda fuel prices are increasing day in day out as a result in the near future general prices are expected to rise by 20% and beyond per annum. As an economist;

a) Assess the likely effects of this situation to the economy.

(10 marks)

b) Advise the Government of Uganda on the various strategies to combat this situation.

(15 marks)

# **Question Three**

Given the current situation in Uganda almost every citizen in the country is crying of scarcity of money. As a macroeconomic officer in Bank of Uganda, come up with realistic options to avert this crisis.

(25 Marks)

### Question Four

Despite the establishment of industrial parks and ever-increasing number of industries, most Ugandans still remain unemployed, as an expert,

(a) Account for this gap.

(12 marks)

(b) Suggest the possible remedies for closing this gap.

(13 marks)

### **Question Five**

The 2014 population census by UBOS showed that the per capita income of Ugandans had increased implying an improvement in the Standard of Living. As an economist

a) With practical evidence critique this conclusion.

(15 Marks)

b) Explain the challenges faced by UBOS while compiling this information.

(10 Marks)

### Question Six

Some countries sell their products in foreign markets at lower prices than in the home markets.

Explain the implications of this practice on both the exporter and importer.

(25 Marks)