

UNEB UACE ECONOMICS PAPER 1 2016

SECTION A

1. a) i) Differentiate between perfect oligopoly and imperfect oligopoly.
ii) Give any two advantages of oligopolistic markets to the consumer.
- b) i) State the Big-push theory of economic development.
ii) Give any three factors that may limit the adoption of the Big – push strategy in developing countries.
- c) i) Distinguish between elasticity of demand and price elasticity of demand.
ii) State any two factors that determine elasticity of demand.
- d) State four functions of money in an economy.
- e) i) Distinguish between nationalism and privatization of enterprises.
ii) Give any two merits of privatization in an economy.

SECTION B

Answer any four questions from this section.

2. a) Describe the three approaches to the computation of national income.
b) What are the statistical challenges faced during the computation of national income?
3. a) Define the term Foreign Aid.
b) Assess the impact of Foreign Aid on developing economies.
4. a) Distinguish between efficiency of labour and mobility of labour.
b) Explain the factors that determine the efficiency of labour in an economy.
5. a) What are the causes of youth unemployment in developing countries?
b) Assess the impact of unemployment in an economy.
6. a) What is meant by the term managed floating exchange rate?
b) Examine the merits and demerits of a managed floating exchange rate in an economy.
7. a) Differentiate between hyper inflation and creeping inflation.
b) Explain the effects of inflation in an economy.

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