

## UNEB UACE ECONOMICS PAPER 2 2018

### SECTION A

*Answer all parts of this question*

1. a) i) Distinguish between consumption expenditure and investment expenditure  
ii) Mention any two factors that influence consumption expenditure in Uganda
- b) State any four roles of public enterprises in Uganda
- c) i) Define the term demand for labor  
ii) State any three factors that determine the demand for labor in Uganda.
- d) i) What is meant by fiduciary issue in banking?  
ii) Give any three functions of money in Uganda.
- e) i) Distinguish between a specific tax and an ad valorem tax.  
ii) State any two demerits of levying a specific tax in Uganda.

### SECTION B

*Answer any four questions from this section*

2. a) How does a firm in a monopolistic competitive market determine output price and profits in the:  
i) short-run, and  
ii) long-run?  
b) Explain the merits and demerits of monopolistic competition in Uganda.
3. a) Differentiate between economic growth and economic development  
b) Suggest measures that should be adopted to increase the rate of economic growth in Uganda
4. a) Examine the role of Multi-National Corporations in the economic development of Uganda.  
b) What problems are faced by Multi-National Corporations in Uganda?
5. a) Differentiate between import substitution and export promotion strategies of industrial development.  
b) Assess the impact of import substitution strategy of industrialization on the development of Uganda's economy.
6. a) Distinguish between demand-pull inflation and imported inflation  
b) Explain the effects of inflation in Uganda
7. a) Account for the persistent debt burden in Uganda.  
b) Describe the methods being used to reduce the public debt in Uganda.