

P220/2
ECONOMICS
Paper 2
Nov./Dec. 2019
3 hours



UGANDA NATIONAL EXAMINATIONS BOARD

Uganda Advanced Certificate of Education

ECONOMICS

Paper 2

3 hours

INSTRUCTIONS TO CANDIDATES:

Answer five questions only.

Section A is compulsory. Answers to this section should be concise.

Answer four questions from section B.

All questions in section B carry equal marks.

Credit will be given for use of relevant diagrams.

Any additional questions(s) answered will not be marked.

SECTION A (20 MARKS)

Answer all parts of this question.

1. (a) (i) What is meant by **explicit costs of production**? (01 mark)
- (ii) State **three** factors that influence production costs in Uganda. (03 marks)
- (b) (i) Distinguish between **external resource dependence** and **direct economic dependence**. (02 marks)
- (ii) Mention **two** demerits of external resource dependence in Uganda. (02 marks)
- (c) Give any **four** roles of education in the economic development of Uganda. (04 marks)
- (d) (i) What is **currency depreciation**? (01 mark)
- (ii) Outline any **three** effects of depreciation of currency in Uganda. (03 marks)
- (e) (i) Distinguish between a **public corporation** and a **multinational corporation**. (02 marks)
- (ii) State **two** contributions of multinational corporations to economic development in Uganda. (02 marks)

SECTION B (80 MARKS)

Answer any **four** questions from this section.

2. (a) What are the causes of price fluctuations of agricultural products in Uganda? (10 marks)
- (b) Explain the measures that have been taken to minimise price fluctuations of agricultural products in Uganda. (10 marks)
3. (a) How is the expenditure method used to measure national income in Uganda? (04 marks)
- (b) Explain the challenges faced in measuring national income in Uganda. (16 marks)
4. (a) Examine the factors that influence the level of economic growth in Uganda (10 marks)
- (b) Describe the costs of economic growth in Uganda. (10 marks)
5. (a) What is meant by the term **full employment**? (04 marks)
- (b) Why is it difficult to attain full employment in Uganda? (16 marks)
6. (a) Account for the persistent inflation in Uganda. (12 marks)
- (b) Explain the measures being taken to control inflation in Uganda. (08 marks)
7. (a) Describe the different forms of government expenditure in Uganda. (06 marks)
- (b) Suggest measures that may be taken to regulate public expenditure in Uganda. (14 marks)