P220/2
Economics
Paper 2
July - August 2022
3 Hours

# UGANDA MUSLIM TEACHERS' ASSOCIATION
## UMTA JOINT MOCK EXAMINATIONS 2022
## UGANDA ADVANCED CERTIFICATE OF EDUCATION

Economics

Paper 2

3 Hours

*Answer five questions only.*

*Section A is* ***compulsory****. Answer to this section should be concise and precise.*

*Answer* ***four*** *questions from section B. All questions in section B carry equal marks.*

*Any additional question(s) attempted will not be marked.*

*Credit will be given for use of relevant diagrams.*

*List the question numbers in the order attempted.*

| Question Number attempted | Marks |
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| **TOTAL** | |

## SECTION A. (20 MARKS)

1. (a) (i) What is meant by **Occupational and mobility of labour**? (1mark)

(ii) Mention any **three** factors that affect occupational mobility of labour in Uganda. (3marks)

(b)(i) Define the term **foreign aid.** (1mark)

(ii) State any **three** reasons for foreign aid dependence in Uganda. (3marks)

(c)(i) Define the term **structural unemployment.** (1mark)

(ii) Suggest any **three** solutions to structural unemployment in Uganda. (3marks)

(d)(i) Distinguish between **direct taxes** and **indirect taxes.** (2marks)

(ii) Give any **two** merits of direct taxes in Uganda. (2marks)

(e)(i) Define the term **divesture.** (1marks)

(ii) State any three factors that hindered divesture in Uganda. (3marks)

## SECTION B (80 MARKS)

2. (a) Explain the uses of price elasticity of demand in Uganda. (6marks)

(b) Discuss the factors that make demand for goods price inelastic in Uganda. (14marks)

3. (a) Examine the factors that have influenced the level of foreign direct investment in Uganda. (10marks)

(b) Assess the role of foreign direct investment in Uganda. (10marks)

4. (a)Why is there need to industrialize the economy of Uganda? (10marks)

(b). Discuss the factors that are limiting the industrialization process in Uganda. (10marks)

5. (a) Describe the features of Uganda's population. (8marks)

(b) Assess the effects of high population growth in Uganda. (12marks)

6. (a) Discuss the importance of monetary policy in Uganda. (6marks)

   (b) Account for the failure at successful implementation of the monetary policy in Uganda. (14marks)

7. (a) Explain the demerits of persistent inflation in Uganda. (10marks)

   (b) Describe the measures that have been taken to reduce the rate of inflation in Uganda. (10marks)

***END***