



UGANDA BUSINESS AND TECHNICAL EXAMINATIONS BOARD

Business and Humanities Diploma Examinations

APRIL- MAY 2022 SERIES

PROGRAMME

DBS-ACC, DBS-MKT, DBS-CCF, DSIM, DHIC, DPLM, NDA, NDBM, NDM,
NDSA, NDCB, DTM, DBA

PAPER NAME

BUSINESS ECONOMICS

PAPER CODE

ECO1102/GBDM112/DTM1102/DBA1104

YEAR I, SEMESTER I

3 HOURS

TUESDAY, 26TH APRIL, 2022

INSTRUCTIONS TO CANDIDATES

1. This paper consists of **two** sections **A** and **B**.
2. Section **A** is compulsory and carries **20** marks.
3. Section **B** consists of **six** questions. Answer only **four** questions from this section.
4. All questions carry equal marks.
5. All answers to each question should begin on a fresh page.
6. **Do not** write on the question paper.
7. All answers and rough work should be written in the official answer booklet provided.
8. Read other instructions on the answer booklet.

SECTION A - (20 MARKS)

Answer all questions in this section

Question One

- (a) Define the term **economic system**. (02 marks)
- (b) List **two** factors which determine demand for a commodity. (02 marks)
- (c) Define the term **gross domestic product** as used in economics. (02 marks)
- (d) State **two** causes of rural urban migration in Uganda today. (02 marks)
- (e) Identify **two** forms of costs. (02 marks)
- (f) Give **two** advantages of indirect taxes. (02 marks)
- (g) State **two** causes of demand pull inflation. (02 marks)
- (h) State the **law of comparative advantage**. (02 marks)
- (i) Distinguish between **positive economics** and **normative economics**. (02 marks)
- (j) Identify **two** measures put by the government to reduce poverty today. (02 marks)

SECTION B - (80 MARKS)

Answer only four questions from this section

Question Two

Assuming you carried out your industrial training in the Ministry of Finance, Planning and Economic Development, where you were nominated by the Commissioner to make a presentation on the Subject "Money".

- (a) Explain **five** functions of the subject which will make up your presentation. (10 marks)
- (b) Present **five** factors which may determine its supply. (10 marks)

Question Three

- (a) Discuss **five** benefits which accrue from compiling national income statistics. (10 marks)
- (b) Examine **four** challenges which are likely to be encountered while compiling national income. (08 marks)
- (c) Suggest **two** remedies to challenges in 3(b). (02 marks)

Question Four

- ✓ (a) Using an illustration, explain how a firm under perfect competition maximizes profits in the short run. (08 marks)
- (b) Examine **six** factors which may make firms to continue operating when making no profits in long run. (12 marks)

Loss contract
shame -
hope
supplies
customer

Question Five

The Ministry of Finance Planning and Economic Development is running a campaign to educate the public on the importance of direct taxes to the Government. The campaign has been decentralized up to the village levels. They have nominated you to sensitize in your home area.

- (a) Explain **five** forms of such tax which you will emphasize. (10 marks)
- (b) Present **five** importance of the tax which will make up your campaign. (10 marks)

Question Six

✓ In a brain storming workshop, most students were advocating for the country to embrace international trade because of its benefits, much as it has a number of challenges.

- (a) Explain **five** such benefits in the above scenario. (10 marks)
- (b) Explain **five** challenges faced in embracing the above concept. (10 marks)

Question Seven

✓ A group of graduates from your college were offered a job in KM Enterprises, however they voluntarily left the job because of various circumstances. You have therefore been invited by the Manager KM Enterprises, to share your experience on this prevailing situation.

- (a) Present **five** circumstances which might have forced graduates to leave the job. (10 marks)
- (b) Suggest **five** measures which may be adopted to avoid the situation in the scenario. (10 marks)

paying
with
waiting

END