P220/2
ECONOMICS
Paper 2
23 July 2018
3 hours

ENTEBBE JOINT EXAMINATION BUREAU

Uganda Advanced Certificate of Education

ECONOMICS

Paper 2

3 hours

INSTRUCTIONS TO CANDIDATES:

This paper consists of two Sections **A** *and* **B***.*

Section **A** *is compulsory.*

Attempt only **four** *questions in* Section **B***.*

All questions in Section **B** *carry equal marks*

Begin each number on a fresh page.

Credit will be given for the use of relevant illustrations and diagrams.

Any extra question(s) attempted shall not be marked.

SECTION A: 20 Marks

Answer all parts of this Section.

1. (a) (i) Define the term **factor mobility.** *(01 mark)*

(ii) Mention **three** factors limiting mobility of capital in Uganda. *(03 marks)*

(b) (i) Distinguish between **a public limited company** and **a public corporation**? *(02 marks)*

(ii) Give **two** functions of a public corporation in Uganda? *(02 marks)*

(c) (i) What is meant by the term **appropriate technology**? *(01 mark)*

(ii) Give any **three** factors that have affected the development of appropriate technology in Uganda. *(03 marks)*

(d) (i) Explain what is meant by **a development goal.** *(01 mark)*

(ii) Mention any **three** development goals in Uganda. *(03 marks)*

(e) (i) Define the term **protectionism**. *(01 mark)*

(ii) Give **three** reasons why there is need for protectionism in Uganda. *(03 marks)*

SECTION B: 80 Marks

Answer **four** *questions from this* Section.

2. (a) Describe the features of oligopoly markets in Uganda. *(06 marks)*

(b) Examine the merits and demerits of oligopoly markets in Uganda. *(14 marks)*

3. (a) Account for the limited exploitation of natural resources in Uganda. *(10 marks)*

(b) Explain the measures being taken to improve the level of utilisation of natural resources in Uganda. *(10 marks)*

4. (a) What is the rationale for promoting industrialisation in Uganda? *(08 marks)*

(b) What measures are being taken to expand the industrial sector in Uganda? *(12 marks)*

5. (a) Explain the methods being used by labour organisations in Uganda to attain their objectives. *(10 marks)*

(b) Account for the poor performance of labour organisations in Uganda? *(10 marks)*

6. (a) Explain the methods used by the Central Bank to regulate credit creation in Uganda. *(10 marks)*

(b) What factors have limited the effectiveness of the Central Bank in regulating the level of credit creation in Uganda? *(10 marks)*

7. (a) Explain the role of the national budget in Uganda. *(08 marks)*

(b) Account for the persistent budget deficits in Uganda. *(12 marks)*

END