

KIIRA COLLEGE BUTIKI

Uganda Advanced Certificate of Education

ECONOMICS

Paper 2

SECTION A: (20 MARKS)

- 1.a. (i) Define the term aggregate demand. (1mark)
- (ii) State any three determinants of aggregate demand in your country. (2marks)
- b. (i) Define the term “divestiture.” (1mark)
- (ii) Mention any three problems faced by public enterprises in your country. (3marks)
- c. (i) What is meant by the term consumer price index? (1mark)
- (ii) State any three uses of price indices in your country. (3marks)
- d. Mention any four effects of unemployment in your country. (4marks)
- e.(i) Define the term “taxable capacity.” (1mark)
- (ii) Mention any three causes of low taxable capacity in your country. (3marks)

SECTION B: (80 MARKS)

- 2a) Explain the causes of agricultural price fluctuations in your country. (10marks)
- b) Examine the measures your country should take to stabilize prices of agricultural commodities. (10marks)
- 3a) Explain the role of the private sector in the economic development of your country. (10marks)
- b) Examine the problems faced by the private sector in your country. (10 marks)
- 4a) Distinguish between population explosion and optimum population. (04marks)
- b) Examine the effects of rapid population increase in your country. (16marks)
- 5a) Examine the causes of inflation in your country. (10marks)
- b) Discuss the measures your country is taking to control inflation (10marks)

- 6a) Explain the tools of monetary policy used by the central bank in your country. (08marks)
- b) Examine the limitations of monetary policy in Uganda. (12marks)
- 7a) Examine the rationale for economic development planning in your country. (10marks)
- b) Discuss the limitations to successful planning in your country. (10marks)