

# MOCK SET I EXAMINATIONS 2019

Uganda Advanced Certificate of Education

ECONOMICS

P220/2

3Hours

## INSTRUCTIONS TO CANDIDATES

- *Section A is compulsory. Answers to this section should be concise.*
- *Answer **four** questions from section B.*
- *Credit will be given for the use of relevant diagrams.*

### SECTION A (20MARKS)

1. a(i) Distinguish between vertical integration and Horizontal integration of firms. (2marks)  
(ii) Give any two factors limiting the integration of firms in Uganda. (2marks)  
b(i) What is meant by the term “Foreign aid”  
(ii) Give any three reasons for foreign aid dependency in Uganda. (3marks)  
c(i) What is meant by “Population explosion?” (1mark)  
(ii) Mention any three causes of population explosion in Uganda. (3marks)  
d(i) Distinguish between customs union and common market. (2marks)  
(ii) Give any two benefits of economic integration in Uganda. (2marks)  
e(i) Define the term “Fiscal policy” (1mark)  
(ii) State any three instruments of fiscal policy used in Uganda (3marks)

### SECTION B (80MARKS)

2. a) Distinguish between capital formation and capital appreciation (4marks)  
b) Explain the factors that determine the level of capital formation in Uganda. (16marks)
3. a) Distinguish between cost push and demand pull inflation. (4marks)  
b) Account for the persistent inflation in Uganda. (16marks)
4. a) Describe the structure of Uganda’s population. (8marks)  
b) Examine the implications of the structure of Uganda’s population. (12marks)
5. a) Account for the unemployment problem in Uganda. (10marks)  
b) Explain the measure being taken to tackle the unemployment problem in Uganda? (10marks)
6. a) Explain the roles played by taxes in Uganda. (10marks)  
b) What are the demerits of taxes in Uganda? (10marks)
7. a) Account for economic development planning in Uganda. (10marks)  
b) Explain the factors that limit effective implementation of economic development plans in Uganda. (10marks)

**END**