

UNEB UACE ECONOMICS 2013

PAPER 1

1. (a) (i) Define the term effective demand
(ii) Give any three factors that limit effective demand in an economy
- (b) (i) Distinguish between producers, surplus and consumers surplus
(ii) Given that the market price of a commodity is Uganda Shs 65,000, calculate the producer's surplus in the table below
- (c) (i) Differentiate between casual and residual unemployment
(ii) State any two effects of unemployed I an economy
- (d) (i) What is meant by the term "marginal propensity to import?"
- (e) (i) Distinguish between a reproductive debt and a dead weight debt
(ii) state any two ways in which a public debt can be redeemed.
2. (a) How does a firm in a monopolistic competitive market determine output, price and profits in the long run?
(b) Explain the merits and demerits of monopolistic competition
3. (a) why may a country adopt an export promotion strategy of industrial development?
(b) explain the limitations of the export promotion strategy of industrial development
4. Distinguish between labour supply and labour force
(b) Explain the factors that determine labour supply in economy
5. Given that the volume of money in an economy is \$20 billion, total level of transactions is \$250 million and the transactions velocity of money is 20; calculate the general price level in the economy.
(b) Explain the limitations of Irying Fisher's quality theory of money
6. Distinguish between mild inflation and hyper inflation
(b) explain the effects of hyper inflation in an economy
7. Differentiate between taxation financing and debt financing
(b) why may a government rely more on debt financing than taxation financing

PAPER 2

1. (a) Distinguish between economics profits and normal profits
(ii) Mention any two factors that influence the lever of profits in your country
- (b) What is meant by a development goal?
(ii) Mention any three development goals in your country
- (c) State any four factors which limit the effective operation of trade unions in your country
(d) What is meant by economic development planning?
(ii) Give any three factors that affect the implementation of development plans in your country
- (e) Differentiate between taxable capacity and tax base
(ii) State any two reasons for the narrow tax base in your country

SECTION B

2. (a) Describe the features of an oligopolistic market
(b) Examine the merits and demerits of oligopolistic markets
3. Explain the role of the private sector in the development of your country
(b) What measures have been taken to promote the development of the private sector in your country?

4. What is meant by Foreign Aid?

(b) Assess the impact of Foreign Aid on the development of your country

5. (a) Outline the objectives of the monetary policy in your country

(b) Examine the factors that limit the success of the monetary policy in your country

6. What is meant by the term "trade liberalization"?

(b) Examine the merits and demerits of trade liberalization in your country

Explain the contribution of public enterprises to the development of your country

(b) What are the problems faced by public enterprises in your country?