

UNEB UACE ECONOMICS PAPER 2 2017

SECTION A

Answer all parts of this section.

1. a) i) Differentiate between effective demand and derived demand.
ii) Give any two factors limiting effective demand for goods and services in Uganda
- b) i) Distinguish between commercial rent and economic rent.
ii) Give any two determinants of economic rent in Uganda.
- c) State any four effects of a young population on Uganda's economy.
- d) i) Define the term tax evasion.
ii) Mention three causes of tax evasion in Uganda.
- e) i) What is meant by balance of payments?
ii) Give any three ways of correcting a balance of payments deficit in Uganda.

SECTION B

2. a) Describe the different forms of economic dependence in Uganda.
b) What are the demerits of economic dependence in Uganda?
3. a) Analyze the factors that influence the rate of economic growth in Uganda.
b) Explain the benefits of economic growth in Uganda.
4. a) Why is there need to modernize the agricultural sector in Uganda?
b) Discuss the factors limiting agricultural modernization in Uganda.
5. a) State the Iron Law of Wages.
b) To what extent is the Iron Law of Wages applicable in the determination of Wages in Uganda?
6. a) Describe the procedure of compiling the cost of living index.
b) Explain the challenges faced when compiling prices indices in Uganda.
7. a) Differentiate between hyper-inflation and mild-inflation.
b) Describe the measures being taken to control inflation in Uganda.

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