

NAME:-----INDEX NO:-----

DATE:-----SIGNATURE:-----

P220/1

ECONOMICS

3 HRS

UGANDA ADVANCED CERTIFICATE OF EDUCATION

RESOURCEFUL MOCK EXAMINATIONS 2017

ECONOMICS

P220/1

TIME: 3 HOURS

Instructions to candidates:

- ***Section A is compulsory; answers to this section should be concise.***
- ***Attempt FOUR questions from section B.***
- ***All questions in section B carry equal marks.***

SECTION A (40 marks)

- 1.(a)(i) Distinguish between public goods and merit goods. (2mks)
(ii) Mention two features of public goods. (2mks)
- (b)(i) Distinguish between money and currency. (2mks)
(ii) Give two qualities of good money. (2mks)
- (c)(i) What is structural unemployment? (1mk)
(ii) Give three causes of structural unemployment in an economy. (3mks)
- (d)(i) What is under population? (1mk)
(ii) Give three demerits of under population in an economy. (3mks)

[DOWNLOAD MORE RESOURCES LIKE THIS ON ECOLEBOOKS.COM](http://Ecolebooks.com)

- (e)(i) What are public corporations? (1mk)
(ii) Give three reasons for establishing public corporations. (3mks)

SECTION B (80marks)

- 2.(a) Distinguish between aggregate demand and effective demand. (4mks)
(b) Examine the factors that influence the level of aggregate demand in an economy. (16mks)
- 3.(a) Explain the factors that limit economic growth in developing countries. (10mks)
(b) What are the costs of economic growth in an economy? (10mks)
- 4.(a) What is per capita income? (2mks)
(b) Explain the problems encountered when using per capita income for measuring the standard of living of economy overtime. (18mks)
- 5.(a) Explain the marginal productivity theory of distribution. (6mks)
(b) What are the limitations of the marginal productivity theory in developing countries? (14mks)
- 6.(a) Distinguish between public revenue and public expenditure. (2mks)
(b) Explain the role of public finance in the development of a country. (18mks)
- 7.(a) Distinguish between centralized and decentralized planning. (4mks)
(b) Account for the existence of decentralized planning in developing countries. (16mks)

E N D