Time: 3 Hours

Instructions

- This paper consists of two sections; A and B
- Section A is compulsory and questions in this section require precise and concise answers
- Attempt only four questions from section B. Rubrics shall not be marked.
- Questions in section B carry equal marks.

SECTION A (Compulsory – 20 marks)

1. a) i) What is meant by labour productivity? (1 mark)
   ii) State six reasons for low labour productivity in Uganda. (3 marks)

b) Give four features of Ugandan formal sector. (4 marks)

c) i) What is meant by the term privatisation? (1 mark)
   ii) State three forms of privatisation undertaken in Uganda. (3 marks)

d) State any four forms of dependence existing in Uganda. (4 marks)

e) i) What is an investment multiplier? (1 mark)
   ii) Given that the coefficient of multiplier in an economy is 5; and that income increased from Shs.100 billion to Shs.120 billion, find the initial change in investment level. (3 marks)

SECTION B (Answer four questions – 80 marks)

2. a) Account for the low level of agricultural productivity in Uganda. (10 marks)

   b) What attempts are being made to increase agricultural productivity in Uganda? (10 marks)

3. a) Explain the role of private sector in the development of Uganda. (10 marks)

   b) What are the challenges faced by the private sector in Uganda? (10 marks)
4. a) Distinguish between under population and over population. (4 marks)
   
b) Explain the factors responsible for rapid population growth in most LDCs? (16 marks)

5.a) Distinguish between “piece rate” and “time rate” system of wage payment. (4 marks)
   
b) Explain why most employers in Uganda prefer the use of the piece rate system of wage payment. (16 marks)

6. a) What factors are responsible for the low level of employment in Uganda? (10 marks)
   b) Explain the measures being taken to increase the level of employment in Uganda. (10 marks)

7. a) What challenges are faced during plan formulation in Uganda? (10 marks)
   b) Explain the steps being taken to improve economic development planning in Uganda. (10 marks)