

## SECTION B

### Item 4

In recent years, Uganda's economy has expanded steadily. Many towns have grown rapidly, new enterprises have been established, and economic activities have intensified across different regions. People are more engaged in income-earning activities, and the government is handling a larger and more complex economy than before. At the same time, signs of strain have appeared in some areas as the pace of change accelerates.

#### Task

- From the scenario, **identify the benefits of economic growth.**
  - Using the same scenario, **explain the costs of economic growth.**
- Suggest remedies** that can be used to reduce the costs of economic growth in Uganda.

### Item 5

Uganda has adopted a development approach aimed at expanding economic activities across different sectors and regions at the same time. While agriculture is being modernised, manufacturing and service activities are also developing steadily. Rural areas are receiving improved infrastructure alongside urban centres, and small-scale enterprises are growing together with large industries. The government is coordinating its investments to avoid over-concentration in one sector or region.

#### Task

Identify the **type of growth theory** described in the scenario.  
Assess the **advantages of adopting this growth theory** in Uganda. Identify the **challenges** Uganda may face in implementing this theory.

### Item 6

Uganda has chosen to concentrate its development efforts on a few key sectors and strategic areas of the economy. Large investments have been directed toward selected industries and major urban centres, while other sectors are expected to grow later in response to increased demand and linkages created by the leading sectors. As these priority areas expand, pressure is mounting on related industries and regions to adjust and develop in order to support the fast-growing sectors.

#### Task

- Identify the **growth theory** illustrated in the scenario.
- Assess the **advantages and disadvantages** of adopting this theory in Uganda.

## ECONOMICS

### SECTION A

#### ITEM 1

In a certain town, the government installed street lighting along all major roads to improve security. Every resident benefits from the lighting, even those who do not contribute to its cost. It is also difficult to prevent anyone from using the light. At the same time, a local shop sells bottled water. Only customers who pay for the water can consume it, and once one person buys a bottle, another person cannot consume the same bottle. However, the town council is facing challenges in providing more street lights because many residents are unwilling to voluntarily contribute funds, yet they continue to benefit from the existing ones.

#### Task

- a) Why might some individuals choose not to contribute financially towards one of the items, yet still benefit from it?  
Suggest a way in which the authority could ensure a more reliable provision of the service described.

#### ITEM 2

In the village of Jolwe, the population is growing while resources remain scarce. There are only 10 workers, a small piece of fertile land, and a few worn-out tools. The villagers must decide how to use these limited resources to produce food, clothing, and shelter. Some people want to use all resources to meet immediate needs, while others suggest saving some to repair tools and improve future production. As a result, the village leaders face difficult decisions on how to allocate resources wisely.

#### Task

How might the villagers ensure that their decisions support both current needs and future well-being?

#### ITEM 3

The island of Kalangala produces fish and coconuts. The people must decide how to allocate their limited resources efficiently. Suddenly, a drought strikes, making coconut trees produce less fruit, and many fishing boats are damaged in a storm. The islanders now face a tough decision on how to use their remaining resources.

#### Task

Use illustrations to explain the operation of the PPF in the area and how to increase production efficiency.