Please read the following instructions carefully.

1. This paper has THREE (3) sections – A, B and C, and comprises FIVE (5) printed pages.

2. Answer FIVE (5) questions from any of the three sections. If more than five questions are attempted, only the first five will be marked. Candidates intending to offer Economics or Computing must answer at least THREE (3) questions from the Economics section, i.e. section A.

3. Do not write on the question paper. Write your answers on the answer sheets provided. Begin each question with a fresh sheet of paper. Write the question number clearly. Each question carries 20 marks.

4. At the end of the examination, place the cover page on top of your answer sheets and tie them together using the string provided. Complete the information required on the cover page, including the section and question numbers. Please fill in the question number correctly. Otherwise, your answers will not be graded. For example,

<table>
<thead>
<tr>
<th>TO BE COMPLETED BY THE CANDIDATE</th>
<th>TO BE COMPLETED BY THE CANDIDATE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section</strong></td>
<td><strong>Question</strong></td>
</tr>
<tr>
<td>A</td>
<td>1</td>
</tr>
<tr>
<td>B</td>
<td>3</td>
</tr>
<tr>
<td>C</td>
<td>5</td>
</tr>
</tbody>
</table>

5. Do not take any paper, including the question paper or unused answer sheets, out of the examination hall.
SECTION A - ECONOMICS

Answer a total of FIVE (5) questions only. These five questions may be from any of the three sections. Candidates intending to offer Economics or Computing must answer at least THREE (3) questions from the Economics section, i.e. section A.

A1

a. With the aid of a carefully labelled demand-supply diagram, explain how a rent ceiling on residential homes operates, and how it affects the price and quantity in the market for rental homes. Discuss the effects of the rent ceiling on resource allocation, efficiency, and distribution. [10 marks]

b. What is the connection between a central bank’s monetary policy and the country’s exchange rate? [10 marks]

A2

a. Explain how price discrimination works, and the conditions required for it to work. In your explanation, distinguish between the different degrees of price discrimination. [10 marks]

b. Mary can make either 3 dresses or 12 pencils in an hour. Lily can make either 4 dresses or 20 pencils in an hour. They each have 10 hours per day for making goods. Without trade, each person chooses to split time equally between each good. Draw diagrams of each person’s production possibilities frontier. Then draw a diagram of their combined production possibilities frontier. Use the diagram and the idea of comparative advantage to explain why Mary and Liny can both gain by specialization and trade. Derive the upper and lower bounds for the terms of trade, measured by number of pencils per dress. [10 marks]

A3

a. How do economists’ definition of a public good differ from a layman’s definition? Why do public goods present problems for resource allocation by markets? [10 marks]

b. For each case, use the AD-AS model to explain the changes in output, employment, and the price level of an economy both in the short run and the long run. Begin your analysis with the economy in long-run equilibrium. Use a carefully labelled AD-AS diagram to illustrate your explanation.
   i. Households decide to shift some of their expenditures from locally produced goods to imports.
   ii. Prices of energy and raw materials fall. The country is an importer of both. [10 marks]
A4

a. What factors determine the optimal size of a firm in an industry? Discuss using concrete industry examples.

[10 marks]

b. Distinguish between nominal values and real values in economics and explain how the latter can be derived from the former. Why should individuals be aware of the distinction between the two values?

[10 marks]

A5

a. “Market prices are essential for allocating resources effectively. Thus, governments should not interfere with price signals.” Discuss.

[10 marks]

b. Should your country peg its currency to another currency (e.g. the US dollar, or the Chinese Yuan)?

[10 marks]
SECTION B - GEOGRAPHY

Answer a total of FIVE (5) questions only. These five questions may be from any of the three sections. Each question carries 20 marks. Candidates intending to offer Economics or Computing must answer at least THREE (3) questions from the Economics section, i.e. section A.

B1

Why is geographic analysis vital for planning against natural hazards? Use specific examples to illustrate your answer.

[20 marks]

B2

How can an understanding of geography help in the creation of more sustainable forms of tourist development?

[20 marks]

B3

What are the costs and benefits of rural – urban migration? Illustrate your answer with specific examples.

[20 marks]

B4

Is hydro-electric power a renewable and environmentally friendly form of energy production?

[20 marks]

B5

Why is geography important to examine problems of pollution and solid waste management? Illustrate your answer with specific cases.

[20 marks]
SECTION C - HISTORY

Answer a total of FIVE (5) questions only. These five questions may be from any of the three sections. Each question carries 20 marks. Candidates intending to offer Economics or Computing must answer at least THREE (3) questions from the Economics section, i.e. section A.

C1

“With the passing of time, it can be said that Imperialism has proved to be the handmaiden of political liberation in most of contemporary Asia.”

Discuss with reference to two Asian contexts.

[20 marks]

C2

“I don’t think that globalisation is anywhere near the threat that robots are.”

Angus Deaton

Do you agree? Why or why not?

[20 marks]

C3

“At the heart of globalisation is a new kind of intolerance in the West towards other cultures, traditions and values, less brutal than in the era of colonialism but more comprehensive and totalitarian.”

Martin Jacques

Discuss with reference to two specific Asian contexts.

[20 marks]

C4

“Imperialism leaves behind germs of rot which we must clinically detect and remove from our land but from our minds as well.”

Frantz Fanon

With recourse to two examples, discuss how decolonisation in Asian contexts has tried to detect and remove what Fanon labels ‘germs of rot’.

[20 marks]

C5

With recourse to at least two specific Asian contexts, discuss how sporting achievements have become a site of nationalistic ferment.

[20 marks]

END OF PAPER