

## HUMANITIES

Duration : 3 hours

**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,**

TO BE COMPLETED BY THE CANDIDATE	
Section	Question
<b>A</b>	<b>1</b>
<b>B</b>	<b>3</b>
<b>C</b>	<b>5</b>

TO BE COMPLETED BY THE CANDIDATE	
Section	Question
<b>A</b>	<b>2</b>
<b>A</b>	<b>4</b>
<b>C</b>	<b>3</b>

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. Explain the costs and benefits to people in *your country* of joining free trade agreements, such as the Trans Pacific Partnership.

[10 marks]

- b. Explain why economists recommend that a key macroeconomic goal is to have a *stable, low and positive* inflation rate.

[10 marks]

### A2

- a. With the aid of a carefully labelled demand-supply diagram, explain how a price floor on rice operates, and how it affects the price and quantity in the market for rice. Discuss the effects of the price floor on resource allocation, efficiency, and distribution.

[10 marks]

- b. Describe how the exchange rate of *your country's* currency against the US Dollar is determined. Within your description, highlight the objectives and role of *your country's central bank*.

[10 marks]

### A3

- a. With the aid of examples, distinguish between the concepts of sunk cost and fixed cost. Explain why both concepts are important for firms' production decisions.

[10 marks]

- b. Using the AD-AS model, explain what happens to output, employment, and the general price level of an economy for each case, both in the short run and the long run. For each case, begin your analysis with the economy in long-run equilibrium, and use a carefully labelled AD-AS diagram to illustrate your explanation.

- i) The government increases infrastructure spending.
- ii) Firms become pessimistic about the economy's outlook and cut their investment spending. The central bank responds immediately by lowering the interest rate.

[10 marks]

**A4**

- a. Explain how a “natural monopoly” comes about. What is the appropriate stance of government policy with regards to natural monopolies?

[10 marks]

- b. Hafiz can produce either 200 bags of rice or 100 sarongs in an hour. Azra can produce either 160 bags of rice or 120 sarongs in an hour. They each have 10 hours per day for producing goods. Without trade, each person devotes half his/her time for producing each good.

Find the maximum and minimum relative prices (measured by sarongs per bag of rice) for which both parties would be willing to specialize and trade, based on each person's comparative advantage. Using a relative price that falls in between the maximum and minimum you found, design a trade that leaves both Hafiz and Azra better off.

[10 marks]

**A5**

- a. Discuss the concept of negative externality in the context of using a common resource, such as a river, in your country. How do societies attempt to solve negative externality problems?

[10 marks]

- b. Explain how the quantity theory of money works, and its implications for monetary policy.

[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 are natural hazards also problems of human geography? Give examples in your answer.

[20 marks]

### B2

Examine one of the following with reference to examples from your own country.  
1. Deforestation; 2. Water Pollution; or 3. Flooding.

[20 marks]

### B3

What are the advantages and disadvantages of rapid urban growth and the development of mega-cities? Discuss, with reference to a city you know.

[20 marks]

### B4

What is ecological tourism? Why may it be a useful way of conserving nature?

[20 marks]

### B5

Why is global climate change a relevant topic for your own country? Use specific examples to answer the question.

[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

'Gentlemanly Captialism' is the best characterization of the British imperial presence in Southeast Asia since 1750. Do you agree?

[20 marks]

### C2

"Imperialism has no meaning in reference to Siam/Thailand's pre-World War 2 history". Do you agree with this statement?

[20 marks]

### C3

Make a case that Globalization will have a greater impact on the trajectories of Asian nations than the Cold War.

[20 marks]

### C4

The problems of social integration across the divisions of class, ethnicity and religion faced by politically independent nation states in Asia in 2017 is the best evidence that decolonization is an ongoing process whose end is still very much out of sight. Do you agree? Why or why not?

[20 marks]

### C5

Globalization is the biggest threat to the continued existence of nation states. Discuss this comment with reference to two case studies in Asia.

[20 marks]

**END OF PAPER**