

## GREENRIDGE SECONDARY SCHOOL O LEVEL PRELIMINARY EXAMINATION 2019 Secondary 4 Express / 5 Normal Academic

## HUMANITIES

Paper 1 Social Studies

## 2272/01, 2273/01

**27 August 2019** Tuesday

1 hour 45 minutes

Additional Materials: 4 Sheets of Writing Paper.

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### READ THESE INSTRUCTIONS FIRST

Write your name, register number and class on this cover and all the work you hand in. Write in blue pen or black pen. Do not use staples, paper clips, glue or correction fluid.

Section A Answer all parts of Question 1.

Section B Answer both parts of Question 2.

The number of marks is given in brackets [] at the end of each question or part question.

Write all answers on the answer paper provided. At the end of the examination, hand in Section A and Section B **separately**.

For Examiner's Use	
Section A	
Section B	
Total	/ 50

### SECTION A (Source-Based Case Study)

Question 1 is **compulsory** for all candidates.

### 1 Exploring Citizenship and Governance

Study the Background Information and the sources carefully, and then answer all the questions.

You may use any of the sources to help you answer the questions, in addition to those sources which you are told to use. In answering the questions, you should use your knowledge of the issue to help you interpret and evaluate the sources.

(a) Study Source A.

What can you infer from the photograph? Explain your answer, using details from the source.

[5]

(b) Study Source B.

Is the cartoonist a supporter or an opponent of demonetisation? Explain your answer. [6]

(c) Study Sources C and D.

In what ways would the congress leader in Source D disagree with the Finance Minister in Source C? Explain your answer. [7]

(d) Study Source E.

Source E is co-written by two researchers who do not live in India. Does this make it useless as evidence about the situation in India? Explain your answer. [7]

(e) 'Going cashless is good for the society.'

Using the sources in this case study, explain how far you would agree with this statement. [10]

### Has India's demonetisation effort been successful?

### **BACKGROUND INFORMATION**

Read this carefully. It may help you answer some of the questions.

On 8 November 2016, the government of India announced the demonetisation of all 500 and 1,000 Rupees<sup>1</sup>. Demonetisation is the act of stripping the validity of a currency unit. The two denomination banknotes, which constituted nearly 86% of the currency in circulation, were banned.

The government issued new 500 Rupee banknote, and the 1000 Rupee note was replaced by new 2,000 Rupee note to ease the cash shortage that arose due to the notes ban.



By making the old notes worthless almost overnight, the government, led by Prime Minister Narendra Modi, hoped to destroy large piles of black money<sup>2</sup> hidden away by tax evaders. In addition, the government claimed the plan would strike a major blow against corruption and counterfeiting and would kick-start India's transition into a digital, cashless world.

The announcement of demonetisation was followed by prolonged cash shortages in the months that followed, as new notes could not be printed fast enough. People seeking to exchange their banknotes had to stand in lengthy queues, and several deaths were linked to the rush to exchange cash. Cash crunch and the availability of online transactions compelled many people to use electronic modes of payment.

The move received support from the ground, especially from the low and middle class who hope that the crackdown will help improve the economy. Yet it was also criticised as poorly planned and unfair, and was met with protests and strikes against the government in several places across India.

Study the following sources to assess how successful demonetisation has been.

<sup>1</sup> 500 rupee ≈ S\$10 and 1000 rupee ≈ S\$20

<sup>&</sup>lt;sup>2</sup> black money refers to income illegally obtained or not declared for tax purposes.



**Source A:** A photograph taken at a local market in India, Jan 2017.

\*Paytm is a digital payments platform that allows people in India to pay for goods without using cash.

Source B: A cartoon of a beggar drawn by an Indian cartoonist in December 2016.



**Source C:** Current Finance Minister of India, Arun Jaitley, who is a member of Bharatiya Janata Party – the current ruling party of India, quoted on his Facebook page in November 2018.

India was a cash dominated economy. Cash involves anonymity in transactions. It bypasses the banking system and enables its possessors to evade tax. Demonetisation forced holders of cash to deposit their cash in the banks. The violators faced punishments. This would flush out untaxed wealth being hoarded by wealthy Indians and starve terrorists and criminal gangs of cash.

Demonetisation curbed cash transactions in a big way. An increase in the digital transactions is visible. This scheme has led to the tax payer base increase from 6.4 million to 12 million tax payers after implementation. India's move from cash to digital transactions would obviously have an impact on higher tax revenue and a higher tax base.

# **Source D:** News report of comments made by former Finance Minister Palaniappan Chidambaram in March 2018. Chidambaram is a congress leader from the Indian National Congress, an opposition party.

Congress leader and former finance minister P Chidambaram described demonetisation as the "greatest lie" saying that it ended up destroying jobs. "Is it ethical to pursue a policy that cost hundreds of thousands of small businesses to close down, more than a hundred million daily-wage earners without income for months?"

He questioned how the new Rs 2,000 bills would help curb corruption in future and said the common man was the most hurt by the outcome of the clampdown while the rich were unaffected.

On government's push for digital payments and cashless economy, he commented "A young couple wants to take a secret holiday. Why should that be recorded? I want to give money to my daughterin-law for her expenses without the knowledge of my son. Why should there be a record? An adult wants to buy adult diapers. Why should there be a record of that?" **Source E:** From an article written by Professor Ramkishen S. Rajan (Vice Dean at the Lee Kuan Yew School of Public Policy, NUS) and Dr Sasidaran Gopalan (Assistant Professor at the Graduate School of Public Policy, Nazarbayev University), published in June 2018.

The demonetisation seems to have had an obvious impact on the financing of terrorist activities, judging by the recent dip in violence in troubled states. The move may also have assisted to rein in an estimated US\$229 billion worth of undeclared rupees for tax accountability purposes.

However, just 18 months after demonetisation, ATMs across India ran into an acute cash shortage, sparking panic and the suggestion of crisis. The latest cash crunch suggests that problems regarding black money will re-emerge.

For ATMs to not run dry, the government need to make financial services accessible and easy-touse through the creation of a robust digital infrastructure<sup>3</sup>. India's current digital infrastructure has not been able to reach the level necessary to support a move such as demonetisation. There is still a staggering 50% of India's population that is unbanked<sup>4</sup>. Without a viable alternative, the Indian people still depend greatly on cash.

<sup>&</sup>lt;sup>3</sup> digital infrastructure refers to platforms that provide digital services that are accessible to any member of society with access to a computer or smartphone

<sup>&</sup>lt;sup>4</sup> unbanked refers to adults who do not use banks or banking institutions in any capacity.

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### **SECTION B (Structured-Response Question)**

Question 2 is **compulsory** for all candidates.

### 2 Being a Part of a Globalised World

Study extracts carefully, and then answer the questions.

### Extract 1

A series of short videos were launched by the Lee Kuan Yew Fund for Bilingualism to highlight the importance of mother tongue languages. The videos which can be viewed online, also feature testimonials from former Minister for Education (Schools) Ng Chee Meng, and Singapore artistes Olivia Ong, Shabir Alam and Taufik Batisah, who shared on their experiences learning their mother tongue languages.



### Extract 2

The Home Affairs Ministry announced it had arrested four individuals - three of whom had taken up arms in Yemen and a fourth who planned to join a Kurdish militia fighting ISIS. Last month, Singapore also detected and deported four Indonesians who travelled through its borders, and were later planning to join ISIS.

### Extract 3

Officers from the new Emergency Response Teams were seen patrolling at the Esplanade area. These officers, who are specially trained in counterassault skills and armed with HK-MP 5 submachine guns, have been patrolling the city area and the heartlands.

(a) Extract 1 shows the recent launch of the Bilingualism campaign by the Ministry of Education.

In your opinion, why is the learning of Mother Tongue relevant for Singapore? Explain your answer using <u>two</u> reasons. [7]

(b) Extracts 2 and 3 show how Singapore manages transnational terrorism.

Do you think that taking **preventive measures** is more effective than taking **responsive measures** in making sure that Singapore is safe from the threat of transnational terrorism? Explain your answer. [8]

### **END OF PAPER**

Copyright Acknowledgements:

- Source A: http://www.estrade.in/over-200-villages-across-india-to-access-digital-payments-with-paytm/
- Source B: https://teekhimirchi.in/2016/12/cashless-india-cartoon/
- Source C: https://www.facebook.com/notes/arun-jaitley/impact-of-demonitisation/906015826253633/
- Source D: https://www.nationalheraldindia.com/news/former-finance-minister-p-chidambaram-in-rajya-sabha-note-ban-most-terrible-decision-ofmodi- government, https://www.ndtv.com/india-news/demonetisation-was-the-greatest-lie-p-chidambaram-1825370
- Source E: https://lkyspp.nus.edu.sg/gia/article/here-s-what-modi-needs-to-do-to-become-a-hero
- Extract 1: https://www.channelnewsasia.com/news/singapore/mother-tongue-video-series-launched-moe-9831182
- Extract 2: https://www.straitstimes.com/singapore/singapore-to-step-up-its-strategy-to-counter-terrorism-as-threat-of-attack-rises-shanmugam
- Extract 3: https://www.straitstimes.com/opinion/how-prepared-is-singapore-for-an-attack