



RAFFLES INSTITUTION  
2019 YEAR 5 PROMOTION EXAMINATION  
Higher 2

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**ECONOMICS**

**9757/02**

Paper 2 Essay Questions

**26 September 2019**

**1 hour 30 minutes**

Additional Materials:      Answer Paper  
   Cover Sheets

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**READ THESE INSTRUCTIONS FIRST**

Write your name, index number and civics class on all the work you hand in.  
Write in dark blue or black pen on both sides of the paper.  
You may use a soft pencil for diagrams, graphs or rough working.  
Do not use paper clips, highlighters, glue or correction fluid.

Answer **two** questions.

**Start each question on a fresh sheet of answer paper.**  
**Attach a cover sheet and tie the answer to each question separately.**

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

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This document consists of **4** printed pages and **2** blank pages.



Raffles Institution

Answer **two** questions.

- 1** China's love for durian has skyrocketed in recent years with growing affluence, and the "king of fruit" is now used to produce novelty items like roasted durian and durian cheesecake. In comparison, traditional snacks have taken a hit.

Discuss how the market for durians and its related markets might be affected by these developments. [25]

- 2** Within the beverage market, competition amongst numerous bubble tea shops is high. However, in the telecommunications market, only a few firms dominate the market. Firms in these markets often engage in non-price strategies such as advertising.

(a) Explain the factors that affect the size of firms. [10]

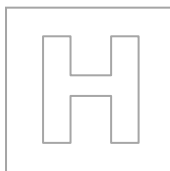
(b) Discuss whether advertising is ever beneficial to firms and society. [15]

- 3** The UK government believes that more can be done to reduce the avoidable harms resulting from alcohol misuse, and that managing the price of alcohol is an important component of that work. Historically, taxation has been the method used in the UK to adjust the price of alcohol. Also, since May 2018, Scotland has introduced minimum pricing for alcohol.

*Adapted from <https://alcoholchange.org.uk>*

(a) Why do governments intervene in the market for alcohol? [10]

(b) Assess whether government intervention through managing the price of alcohol is the most desirable in the market for alcohol. [15]



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**COVER SHEET – ESSAY QUESTIONS**

**Name:**

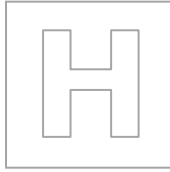
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**Civics Class:** \_\_\_\_\_

**Economics Tutor:** \_\_\_\_\_

<b>Paper</b>	<b>Question</b>	<b>Marks</b>
<b>2</b>	(write question attempted)	<b>/25</b>

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**COVER SHEET – ESSAY QUESTIONS**

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**Name:**

\_\_\_\_\_

**Civics Class:** \_\_\_\_\_

**Economics Tutor:** \_\_\_\_\_

<b>Paper</b>	<b>Question</b>	<b>Marks</b>
<b>2</b>	(write question attempted)	<b>/25</b>

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