

RAFFLES INSTITUTION
2025 YEAR 5 PROMOTION EXAMINATION
Higher 2

ECONOMICS

9570/02

Paper 2 Essay Questions

25 September 2025

1 hour 40 minutes

Additional Materials: Answer Paper
 Cover Sheets

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 attach the answer to each question separately.

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

This document consists of **2** printed pages and **2** cover sheets.



Raffles Institution

Answer **two** questions.

- 1** Rice is a staple food in India, essential to the daily diet of millions across the nation. Rising fertilizer costs and inefficiencies in irrigation systems have strained rice yields. Meanwhile, rising prices of wheat, another widely consumed staple, have put further pressure on the price of rice, prompting calls for government intervention to ensure continued access to affordable rice.

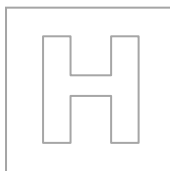
Source: Adapted from The Times of India, 8 August 2025

- (a) Explain how demand and supply factors are likely to affect the market for rice in India. [10]
- (b) Discuss whether subsidies are the most effective government policy to improve consumers' welfare in the rice market. [15]
- 2** SingPost was the only basic mail service provider in Singapore because of its significant investments in postal service infrastructure which include the establishment of an extensive island-wide network of delivery routes, construction of sorting facilities and postal boxes. It was granted an exclusive license for basic domestic and international mail until 2007, when more competition was introduced that allowed entry of other firms in the provision of basic mail services.
- (a) Explain why SingPost might be considered a monopoly prior to 2007 and how economic theory suggests this market structure would affect its pricing and output decision. [10]
- (b) Discuss whether the introduction of more competition or price regulation is a more appropriate form of government intervention to improve efficiency in the provision of basic mail services in Singapore. [15]
- 3** From January 2026, all young children in the UK will be offered a free chickenpox vaccine by the National Health Services (NHS). Until now, parents who wanted to protect their child against chickenpox usually have to pay up to £200 privately. Chickenpox, which is highly contagious, causes an estimated £24m in lost income and productivity every year in the UK, as parents take time off work to look after the sick child. Despite the free provision, the government is concerned about uptake, given that vaccine hesitancy has increased after the Covid pandemic.

Source: BBC News, 29 August 2025

- (a) Explain two reasons why market failure may arise in the market for chickenpox vaccination. [10]
- (b) Discuss whether free provision of chickenpox vaccine or education and campaign is a better policy to ensure vaccinations are allocated efficiently. [15]

*****END OF PAPER*****



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COVER SHEET – ESSAY QUESTIONS

Name: _____

Civics Class: _____

Economics Tutor: _____

Paper	Question	Marks
2	(write question attempted)	/25