



# Principles of Economics

## Grade XI

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**Higher Secondary School Certificate  
Examination Syllabus**

**PRINCIPLES OF  
ECONOMICS  
GRADE XI**

**This syllabus will be examined in both  
Annual and Re-sit Examination sessions from  
Annual Examinations 2023**

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## Preface

Established in 2002 through the Pakistan government's ordinance, the Aga Khan University Examination Board (AKU-EB) is country's first private autonomous qualification awarding body for secondary (SSC) and higher secondary (HSSC) school certifications. Its vision is to be a model of excellence and innovation in education in Pakistan and the developing world.

AKU-EB achieves its vision by developing examination syllabi which inculcate conceptual thinking and higher order learning and are aligned with National/ trans-provincial curricula and international standards. AKU-EB revises its syllabi periodically to support the needs of students, teachers and examiners.

The aims of the syllabus review of SSC and HSSC are to:

- Ensure continued compatibility with the goals of the trans-provincial curricula of Pakistan.
- Review the content for inclusion of new knowledge and deletion of obsolete knowledge.
- Review the content for clarity and relevance as per the changing needs of students, teachers and examiners.
- Enhance and strengthen continuation and progression of content both within and across grades IX - XII (SSC and HSSC).
- Ensure the readiness of students for higher education.

During the syllabus review, the needs of all the stakeholders were identified through a needs-assessment survey. Students and teachers of AKU-EB affiliated schools from across Pakistan participated in the survey. Thereafter, a revision panel, which consisted of examiners, teachers of affiliated and non-affiliated schools, teacher trainers and university academicians, reviewed and revised the syllabus following a planned, meticulous and standardised syllabi review process.

The syllabus is organised into topics and subtopics. Each subtopic is further divided into achievable student learning outcomes (SLOs). The SLOs of the cognitive domain are each assigned a cognitive level on which they have to be achieved. These cognitive levels are 'knowledge', 'understanding' and 'application', the latter also including other higher order skills. This is followed by the Exam Specification which gives clear guidance about the weightage of each topic and how the syllabus will be assessed.

The development of the revised syllabus has been made possible by the creativity and relentless hard work of Curriculum and Examination Development unit and the constant support provided by all the other units of AKU-EB. We are particularly thankful to Dr Sohail Qureshi for his very useful feedback on revising the syllabus review process, to Dr Naveed Yousuf for his continued guidance and support throughout the syllabus revision process and to Raabia Hirani for leading the syllabi revision. We are also thankful to all the students and teachers who took part in the needs-assessment survey and to the principals of AKU-EB affiliated schools who made this endeavour possible by facilitating and encouraging their teachers to be a part of the survey and the syllabus revision panel.

With your support and collective hard work, AKU-EB has been able to take the necessary steps to ensure effective implementation of the best international and trans-provincial standards through this syllabus. We are confident that this syllabus will continue to provide the support that is needed by students to progress to the next level of education and we wish the very best to our students and teachers in implementing this syllabus.



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FOR ANNUAL EXAMINATION 2023 AND ONWARDS

## Understanding of AKU-EB Syllabi

1. The AKU-EB syllabi guide the students, teachers, parents and other stakeholders regarding the topics that will be taught and examined in each grade (IX, X, XI and XII). In each syllabus document, the content progresses from simple to complex, thereby, facilitating a gradual, conceptual learning of the content.
2. The topics of the syllabi are divided into subtopics and **student learning outcomes (SLOs)**. The subtopics and the SLOs define the depth and the breadth at which each topic will be taught, learnt and examined. The syllabi also provide enabling SLOs where needed to scaffold student learning.
3. Each SLO starts with an achievable and assessable **command word** such as describe, relate, evaluate, etc. The purpose of the command words is to direct the attention of teachers and students to specific tasks that the students are expected to undertake in the course of their studies. The examination questions are framed using the same command words or their connotations to elicit evidence of these competencies in students' responses.
4. The topics of the syllabi are grouped into themes derived from the National/ trans-provincial curricula. The connection between various themes and topics is highlighted in the '**concept map**' provided at the beginning of each syllabus. This ensures that students begin to understand the interconnectedness of knowledge, learn conceptually and think critically.
5. The SLOs are classified under three **cognitive levels**: knowledge (K), understanding (U) and application and other higher order skills (A) for effective planning during teaching and learning. Furthermore, it will help to derive multiple choice questions (MCQs), constructed response questions (CRQs) and extended response questions (ERQs) on a rational basis from the subject syllabi.
6. By focusing on the achievement of the SLOs, these syllabi aim to counter the culture of rote memorisation as the preferred method of examination preparation. While suggesting relevant, locally available textbooks for achieving these outcomes, AKU-EB recommends that teachers and students use multiple teaching and learning resources for achieving these outcomes.
7. The syllabi follow a uniform layout for all subjects to make them easier for students and teachers to follow. They act as a bridge between students, teachers and assessment specialists by providing a common framework of student learning outcomes and **exam specifications**.
8. On the whole, the AKU-EB syllabi for Secondary School Certificate (SSC) provide a framework that helps students to acquire conceptual understanding and learn to critically engage with it. This lays a solid foundation for HSSC and beyond.



# Subject Rationale of AKU-EB Principles of Economics

## What will you learn in AKU-EB Principles of Economics?

Economics starts with the concept of scarcity and takes you forward to the maximum utilisation of resources in order to minimise scarcity. This becomes possible when one goes through the concepts of demand and supply. But the story doesn't end here economics takes you forward with the concepts of money, business, stock market, production locally and internationally. This subject also takes on the responsibility of creating awareness about environmental issues, globalisation, sustainable development and how an individual takes part in the process.

Economics is distinctive because of the range of problems and issues that it investigates and the skills that it develops. The study of economics can help individuals, groups and societies make choices that assist them to improve their quality of life. Economic decisions have a crucial influence on the quality of life experienced by people throughout the world.

## Where will it take you?

Economics enables an individual not only in understanding the above concept but also take on decision impacting their everyday life and society in general. It also provides tools which enables a person to incorporate thought processes about financial investment opportunities.

Studying economics also provides an opportunity to an individual to excel in the field of businesses, accounting and finance, media, law, marketing, employment relations, tourism, history, geography or environmental studies.

The AKU-EB principle of economics syllabi progression covers both major aspects of economics i.e. Microeconomics and Macroeconomics. The Microeconomic topics will look at the working of the market mechanism in relation to a particular market, for example commodities, labour or stock market. Whereas Macroeconomics enable the students to conceptualise i.e. the main macroeconomic policy instruments and enable them to predict the possible impact of such policies and to recognised the assumptions involved. Comparisons of economic measures between developed and developing countries. This also enable students to draw on an international context be aware of the assumption of the basic model of supply and demand and understand why supply-side and / or demand side policies may be seen as appropriate ways of managing an economy. It guides to develop an understanding of the range of ways in which markets may fail, understand the implications of market failure for individuals, firms and government.

## How to approach the syllabus?

The concept map of the syllabus gives an overview of the entire syllabus. The topics and the student learning outcomes (SLOs) guide regarding the details about what has to be achieve. And finally, the exam specification guides regarding what will be expected in the examination.



### **What is the concept map telling you?**

Economics is the science of wealth – its production, exchange consumption and distribution. The concept map of AKU-EB Principles of Economics uses a book to represent the aspects of this ‘science of wealth’ – household (individual aspect) and world (overall aspect).

As this subject comprises of two main branches, micro and macroeconomics, this has been reflected in the trunk of the tree. This tree further divides into branches and sub-branches, grouping together the closely connected ideas of economics represented by the leaves.

The theme of microeconomics caters to the issues and affairs related to household or a firm regarding their needs and wants with reference to available resources, price mechanism and market structure.

Macroeconomics caters to the issues and affairs related to a country or an economy. It addresses various economic issues like consumption of national income, unemployment, inflation, international trade, policies, economic growth and development.

Both these themes are linked as one affects the other, especially in terms of economic systems and balance of trade. Thus these components lie in the middle of the tree.

# PRINCIPLES OF ECONOMICS

## CONCEPT MAP - HSSC



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# Student Learning Outcomes of AKU-EB HSSC Principles of Economics Syllabus

## Part I (Grade XI)

Topics and Sub-topics	Student Learning Outcomes		Cognitive Level <sup>1</sup>		
			K	U	A
<b>1. Nature and Scope of Economics</b>	Students should be able to:				
1.1 Introduction of Economics	1.1.1	define economics;	*		
	1.1.2	explain the importance (need) of studying economics;		*	
	1.1.3	explain the basic problems of economics, i.e. a. what to produce, b. how to produce, c. for whom to produce;		*	
	1.1.4	exemplify positive and normative science;		*	
	1.1.5	exemplify inductive and deductive method of studying economics;		*	
	1.1.6	compare the definition of economics given by Adam Smith, Marshall and Lionel Robbins;		*	
1.2 Branches of Economics	1.2.1	differentiate between microeconomics and macroeconomics;		*	
	1.2.2	describe different types of economics i.e. descriptive economics, economic theory and economic policy;		*	
1.3 Scope and Importance of Economics	1.3.1	discuss the educational and practical value of economics;		CA <sup>2</sup>	
	1.3.2	discuss the scope of economics in daily life;		CA	

<sup>1</sup>K = Knowledge, U = Understanding, A= Application and other higher-order cognitive skills

<sup>2</sup>CA=Classroom Activity, not to be assessed under examination conditions.

Topics and Sub-topics		Student Learning Outcomes		Cognitive Level		
				K	U	A
		Students should be able to:				
1.4	Some Basic Concepts and Definition	1.4.1	explain scarcity and resource;		*	
		1.4.2	classify economic and non-economic wants;		*	
		1.4.3	define goods and services;	*		
		1.4.4	differentiate between economic goods and non-economic goods;		*	
		1.4.5	identify types of goods, i.e. a. public goods b. private goods c. merit goods d. demerit goods e. free goods f. consumer goods and capital goods;		*	
		1.4.6	discuss the process involved in constructing graphs related to economics (including graphical representation of dependent and independent variable, understanding of curves, abstract graphs, shifting and movement of curves).		*	
		1.4.7	define externalities with reference to economics;	*		
		1.4.8	explain types of externalities in economics (i.e. positive and negative earning)		*	

Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>2. Consumer Behaviour</b>	Students should be able to:				
2.1 Utility approach	2.1.1	define the term utility;	*		
	2.1.2	differentiate between cardinal (utility theory) and ordinal (indifference curve theory) approach of consumer behaviour;		*	
	2.1.3	explain the characteristics of utility;		*	
	2.1.4	differentiate between marginal utility and total utility;		*	
	2.1.5	analyse graphically the relationship between marginal utility and total utility;			*
	2.1.6	explain the law of diminishing marginal utility using schedule and graph;		*	
	2.1.7	discuss limitations, assumptions and practical importance of the law of diminishing marginal utility;		*	
2.2 Indifference Curve Approach	2.2.1	define the term indifference curve;	*		
	2.2.2	explain the properties of indifference curve;		*	
	2.2.3	explain the significance of studying the indifference curve approach of consumer behaviour.		*	

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Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>3. Demand</b>	Students should be able to:				
3.1 Concept of Demand	3.1.1	differentiate between demand and desire;		*	
	3.1.2	explain the concept of demand;		*	
	3.1.3	explain determinants and factors affecting demand;		*	
	3.1.4	differentiate between individual and market demand;		*	
3.2 Law of Demand	3.2.1	state the law of demand;	*		
	3.2.2	plot individual and market demand curve with the help of hypothetical information;			*
	3.2.3	discuss the assumptions and limitations of the law of demand;		*	
	3.2.4	illustrate the relationship between price and demand with the help of graph and hypothetical data;			*
	3.2.5	interpret the graph to find reasons for negatively sloped demand curve;			*
	3.2.6	relate the practical importance of the law of demand with ones' daily life;		*	
3.3 Shifting Factors of the Demand Curve	3.3.1	explain the shifting of the demand curve;		*	
	3.3.2	discuss the factors affecting the demand curve (shifting factors);		*	
	3.3.3	analyse the change in quantity demanded and change in demand with the help of a graph, i.e. expansion and contraction, rise and fall of demand;			*
3.4 Elasticity of Demand	3.4.1	define the term elasticity with reference to economics;	*		
	3.4.2	explain the determinants and factors affecting elasticity of demand;		*	



Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
	Students should be able to:				
	3.4.3	explain degrees of elasticity with the help of graph, i.e. a. perfectly elastic, b. elastic, c. unit elastic, d. inelastic, e. perfectly inelastic;		*	
	3.4.4	explain the following types of elasticity of demand, i.e. a. price elasticity, b. point elasticity w.r.t price, c. arc elasticity w.r.t price, d. income elasticity e. cross price elasticity of demand;		*	
	3.4.5	calculate price elasticity, point elasticity, arc elasticity, income elasticity and cross price elasticity of demand with the help of schedule and graph;			*
	3.4.6	illustrate elasticity of demand through graphical representation;			*
	3.4.7	relate the practical importance of the elasticity of demand with ones' our daily life.		*	



Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>4. Supply</b>	Students should be able to:				
4.1 Meaning of Supply	4.1.1	define the term supply;	*		
	4.1.2	differentiate between supply and stock;		*	
	4.1.3	explain the determinants and factors affecting supply;		*	
4.2 Law of Supply	4.2.1	state the law of supply;	*		
	4.2.2	explain the assumptions of the law of supply;		*	
	4.2.3	explain the law of supply using a graph;		*	
	4.2.4	apply the law of supply in different economic situations;			*
4.3 Time Periods in Supply	4.3.1	differentiate between short run and long run supply curves;		*	
4.4 Shifting Factors of Supply	4.4.1	discuss shifting factors of supply curve;		*	
	4.4.2	analyse the change in quantity supplied and change in supply with the help of a graph, i.e. expansion and contraction, rise and fall of supply;			*
4.5 Elasticity of Supply	4.5.1	define the term 'price elasticity of supply';	*		
	4.5.2	explain the determinants and factors affecting elasticity of supply;		*	
	4.5.3	explain degrees of elasticity using graph, i.e. a. perfectly elastic, b. elastic, c. unit elastic, d. inelastic e. perfectly inelastic;		*	
	4.5.4	calculate price elasticity of supply using schedule and graph;			*
	4.5.5	apply the concept of elasticity of supply in different economic situations.			*

Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>5. Market Equilibrium and Price Determination</b>	Students should be able to:				
5.1 Market Equilibrium and Price	5.1.1	define the term market equilibrium;	*		
	5.1.2	determine the equilibrium price and quantity through demand and supply with the help of a graph and schedule;			*
	5.1.3	explain the concept of shortage and surplus using graph and schedule;		*	
	5.1.4	interpret the change in equilibrium price and output due to the change in market forces, i.e. demand and supply, with the help of a graph.			*

Topics and Sub-topics		Student Learning Outcomes		Cognitive Level		
				K	U	A
<b>6. Production and Laws of Return</b>		Students Should be able to:				
6.1 Production	6.1.1 6.1.2 6.1.3 6.1.4	define the term production; explain the importance of production; describe factors of production, i.e. land, labour, capital and entrepreneur; explain the characteristics of the factors of production;	*		*	
6.2 Capital Formation	6.2.1 6.2.2	differentiate between capital and capital formation; analyse the causes of low capital formation in developing countries;			*	*
6.3 Scale of Production	6.3.1 6.3.2 6.3.3 6.3.4 6.3.5	describe large and small scale of production; explain the determinants of large and small scale production; discuss advantages and disadvantages of large and small scale of production; explain total product (TP), marginal product (MP) and average product (AP) of labour and capital; interpret graphical relationship among total product (TP), marginal product (MP) and average product (AP);			*	*
6.4 Laws of Returns	6.4.1	analyse the law of increasing return, constant return and decreasing return with the help of a graph;				*
6.5 Law of Cost	6.5.1 6.5.2	illustrate graphically the laws of returns as per law of cost; explain the concept of returns to scale.			*	*

Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>7. Cost and Revenue of a Firm</b>	Students should be able to:				
7.1 Cost of a Firm	7.1.1	define cost of production;	*		
	7.1.2	differentiate between the implicit and explicit cost of production;		*	
	7.1.3	explain the concept of opportunity cost;		*	
	7.1.4	calculate fixed cost (FC), variable cost (VC), total cost (TC), average cost (AC), average fixed cost (AFC), average variable cost (AVC) and marginal cost (MC);			*
	7.1.5	interpret through graphical relationship among total cost, variable cost, average cost, marginal cost and fixed cost with respect to output;			*
	7.1.6	construct short run and long run cost curves with the help of hypothetical data;			*
7.2 Revenue	7.2.1	define the following terms: a. total revenue (TR) b. marginal revenue (MR) c. average revenue (AR);	*		
	7.2.2	differentiate among TR, MR and AR when the prices are fixed and variable;		*	
	7.2.3	plot a graph to show the relationship between TR and MR curves;			*
	7.2.4	determine the optimum level of output with the help of MR and TR curves under perfect competition and monopoly.			*

Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>8. Market Structure</b>	Students should be able to:				
8.1 Basic Concept	8.1.1	explain the concept of firm and industry with reference to market competition;		*	
	8.1.2	explain the following types of market competition: a. perfect competition b. imperfect competition;		*	
	8.1.3	differentiate between perfect and imperfect competition;		*	
8.2 Perfect Competition	8.2.1	explain the assumptions of perfect competition;		*	
	8.2.2	exemplify perfectly competitive market;		*	
	8.2.3	determine the optimum level of an output under perfect competition with the help of a graph;			*
8.3 Monopoly	8.3.1	explain characteristic features of imperfect competition and its kinds ;		*	
	8.3.2	explain the concept of monopoly;		*	
	8.3.3	explain the assumptions of monopoly;		*	
	8.3.4	exemplify the monopoly market with the help of an example;		*	
	8.3.5	determine the level of price and output under monopoly using graph;			*

Topics and Sub-topics		Student Learning Outcomes		Cognitive Level		
				K	U	A
		Students should be able to:				
8.4	Breakeven and Shutdown Point	8.4.1	locate the short run equilibrium of a firm under following situations with the help of a graph: a. normal profit (under perfect competition and monopoly) b. abnormal profit (under perfect competition and monopoly) c. sub normal profit (loss) (under perfect competition and monopoly) d. shutdown point (under perfect competition only);			*
		8.4.2	locate the long run equilibrium of a firm under following situations with the help of a graph: a. normal profit (under perfect competition) b. abnormal profit (under monopoly).			*

Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>9. Resource Pricing</b>	Students should be able to:				
9.1 Rent	9.1.1	define the term 'rent';	*		
	9.1.2	explain the kinds of rent (gross rent, economic rent, scarcity rent, differential rent and contractual rent);		*	
9.2 Wages	9.2.1	define the term 'wages';	*		
	9.2.2	explain kinds of wages (piece wage, time wage, cash wage, wages in kind, contract wage);		*	
	9.2.3	differentiate between nominal and real wage;		*	
9.3 Interest	9.3.1	define the term 'interest';	*		
	9.3.2	explain kinds of interest, i.e. net interest and gross interest.		*	

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Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>10. Macro Economics and National Income</b>	Students should be able to:				
10.1 Concept of National Income	10.1.1	explain macroeconomic objectives;	*	*	
	10.1.2	define ‘national income’;			
	10.1.3	differentiate among gross domestic product (GDP), gross national product (GNP), net national product (NNP), national income (NI), personal income (PI) and disposable personal income (DI);		*	
	10.1.4	calculate GDP, GNP, NNP, NI, PI, DI and per capita income (PCI);			*
	10.1.5	explain the circular flow of national income with reference to its diagram for a four sector economy;		*	
10.2 Measurement of National Income	10.2.1	describe methods of measuring national income, i.e. product approach, expenditure approach and income approach;		*	
	10.2.2	explain the concept of GDP at factor cost (i.e. real GDP) and GDP at market price (i.e. nominal GDP);		*	
	10.2.3	discuss the challenges faced in measuring GDP.		*	

Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>11. Money</b>	Students should be able to:				
11.1 Introduction and Evolution of Money	11.1.1	define the term 'money';	*		
	11.1.2	explain evolution of money from barter system to bank money;		*	
	11.1.3	explain the functions of money;		*	
	11.1.4	describe the forms of money, i.e. metallic, paper and credit money;		*	
	11.1.5	explain the qualities of good money;		*	
11.2 Value of money	11.2.1	define the term 'value of money';	*		
	11.2.2	explain the quantity theory of money;		*	
	11.2.3	calculate the price level by using the quantity theory of money;			*
	11.2.4	differentiate between inflation and deflation;		*	
	11.2.5	explain demand pull and cost push inflation;		*	
	11.2.6	analyse the effect of inflation and deflation on the economy of Pakistan;			*
	11.2.7	analyse the causes of inflation in Pakistan;			*
	11.2.8	suggest different methods to control inflation in Pakistan (by using fiscal and monetary policy).			*

Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>12. Business Cycle</b>	Students should be able to:				
12.1 Introduction to Business Cycle	12.1.1	define the term ‘business cycle’;	*		
	12.1.2	explain the four phases of business cycle with the help of graph;		*	
	12.1.3	determine the causes of business cycle.		*	

FOR ANNUAL EXAMINATION 2023 AND ONWARDS

Topics and Sub-topics	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>13. International Trade</b>	Students should be able to				
13.1 Trade	13.1.1	define the term 'trade';	*		
	13.1.2	describe the kinds of trade;		*	
	13.1.3	explain the need to conduct import and export of goods with reference to Pakistan;		*	
	13.1.4	list the major imports and exports of Pakistan;	*		
13.2 Advantages and Disadvantages of Trade	13.2.1	explain the advantages and disadvantages of foreign trade;		*	
	13.2.2	explain the theories of absolute and comparative advantage;		*	
13.3 Balance of Payment and Trade	13.3.1	explain balance of trade and balance of payment;		*	
	13.3.2	differentiate between balance of trade and balance of payment;		*	
	13.3.3	describe the elements of balance of payment, i.e. current account and capital account balance;		*	
	13.3.4	explain the different causes of deficit balance of payment;		*	
	13.3.5	suggest various ways to improve negative balance of payment.			*

Topics and Sub-topic	Student Learning Outcomes		Cognitive Level		
			K	U	A
<b>14. Public Finance</b>	Students should be able to:				
14.1 Public and Private Finance	14.1.1	differentiate between public and private finance;		*	
	14.1.2	describe the key heads of public expenditure;		*	
	14.1.3	differentiate between public and private revenues;		*	
14.2 Taxation	14.2.1	distinguish between tax burden and tax incidence;	*	*	
	14.2.2	define direct and indirect taxes;			
	14.2.3	analyse the effect of direct and indirect taxes on the economy and the consumer with reference to its merits and demerits;			*
	14.2.4	describe the classification of taxation i.e. regressive, progressive and proportional;		*	
	14.2.5	explain the canon of taxation given by Adam Smith;		*	
14.3 Zakat	14.3.1	explain the concept of Zakat;	*	*	
	14.3.2	differentiate between Zakat, Ushr and Tax;		*	
	14.3.3	explain the rate (Nisab) of Zakat;		*	
	14.3.4	list the beneficiaries of Zakat;			
	14.3.5	discuss the significance of Zakat for economic and human development.			*

# Scheme of Assessment

Grade XI

**Table 1: Number of Student Learning Outcomes by Cognitive Level**

Topic No	Topic	No. of Sub Topic	SLOs			Total
			K	U	A	
1.	Nature and Scope of Economics	4	3	13	0	16
2.	Consumer Behaviour	2	2	7	1	10
3.	Demand	4	2	12	6	20
4.	Supply	5	3	8	4	15
5.	Market Equilibrium and Price Determination	1	1	1	2	4
6.	Production and Laws of Return	5	1	9	4	14
7.	Cost and Revenue of a Firm	2	2	3	5	10
8.	Market Structure	4	0	9	4	13
9.	Resource Pricing	3	3	4	0	7
10.	Macro Economics and National Income	2	1	6	1	8
11.	Money	2	2	7	4	13
12.	Business Cycle	1	1	2	0	3
13.	International Trade	3	2	8	1	11
14.	Public Finance	3	2	9	2	13
<b>Total</b>		<b>41</b>	<b>25</b>	<b>98</b>	<b>34</b>	<b>157</b>
<b>Percentage</b>			<b>16</b>	<b>62</b>	<b>22</b>	<b>100</b>

**Table 2: Exam Specifications**

Topic No.	Topics	Marks Distribution			Total Marks
		MCQs	CRQs	ERQs	
1.	Nature and Scope of Economics	3	Total 2 Marks (1 CRQ)		5
2.	Consumer Behaviour	3	Total 3 Marks (1 CRQ)		6
3.	Demand	4	Total 3 Marks (1 CRQ)		7
4.	Supply	3	Total 3 Marks (1 CRQ)		6
5.	Market Equilibrium and Price Determination	2		7 Marks Choose any ONE from TWO	12
11.	Money	3			
6.	Production and Laws of Returns	3	Total 3 Marks (1 CRQ)		6
7.	Cost and Revenue of a Firm	3	Total 2 Marks (1 CRQ)		5
8.	Market Structure	3	Total 3 Marks (1 CRQ)		6
9.	Resource Pricing	2			2
10.	Macro Economics and National Income	3	Total 3 Marks (1 CRQ)		6
12.	Business Cycle	2			2
13.	International Trade	3	Total 3 Marks (1 CRQ)		6
14.	Public Finance	3	Total 3 Marks (1 CRQ)		6
<b>Total</b>		<b>40</b>	<b>28</b>	<b>7</b>	<b>75</b>

- Multiple Choice Question (MCQ) requires candidates to choose one best/ correct answer from four options for each question. Each MCQ carries ONE mark.
- Constructed Response Question (CRQ) requires students to respond with a short text (few phrases/ sentences), calculations or diagrams.
- Extended Response Question (ERQ) requires students to answer in a more descriptive form. The answer should be in paragraph form, with diagrams where needed, and address all parts of the question.



- Table 1 indicates the number and nature of SLOs in each topic in grade XI. This will serve as a guide in the construction of the examination paper. It also indicates that more emphasis has been given to the understanding (62%) Application and higher order skills (22%) to discourage rote memorisation. Table 1, however, do not translate directly into marks.
- This subject is offered in grade XI.
- There will be two papers; the theory paper will be in two parts: paper I and paper II. Both papers will be administered within 3 hours.
- Paper I theory will consist of 40 compulsory, multiple choice items. These questions will involve four response options.
- Paper II theory will carry 35 marks and consist of a number of compulsory, structured questions and a number of extended response questions. Each extended response question will be presented in an either/or form.
- All constructed response questions will be in a booklet which will also serve as an answer script.

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