

**AGA KHAN UNIVERSITY EXAMINATION BOARD**  
**SECONDARY SCHOOL CERTIFICATE**  
**CLASS X**  
**MODEL EXAMINATION PAPER 2023 AND ONWARDS**  
**Economics Paper II**  
**Time: 1 hour 50 minutes    Marks: 35**

**INSTRUCTIONS**

**Please read the following instructions carefully.**

1. Check your name and school information. Sign if it is accurate.

**I agree that this is my name and school.**  
**Candidate's Signature**

**RUBRIC**

2. There are TEN questions. Answer ALL questions. Questions 10 offers TWO choices. Attempt any ONE choice.
3. When answering the questions:  
  
Read each question carefully.  
Use a black pointer to write your answers. DO NOT write your answers in pencil.  
Use a black pencil for diagrams. DO NOT use coloured pencils.  
DO NOT use staples, paper clips, glue, correcting fluid or ink erasers.  
Complete your answer in the allocated space only. DO NOT write outside the answer box.
4. The marks for the questions are shown in brackets ( ).
5. You may use a simple calculator if you wish.

Q.1. (Total 4 Marks)

Differentiate between gross domestic production (GDP) and gross national production (GNP).

S.No.	Gross Domestic Production (GDP)	Gross National Production (GNP)
1.		
2.		

Q.2. (Total 2 Marks)

Explain any TWO advantages of international trade for the economy.

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Q.3. (Total 3 Marks)

The balance of payments (BoP) is a statistical accounting record of a country's international trade transaction.

Explain THREE accounts that are included in the balance of payments of a country.

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Q.4.

(Total 2 Marks)

Describe the term 'purchasing power of money' and 'inflation'.

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Q.5.

(Total 3 Marks)

What is the relationship between the purchasing power of money' and 'inflation in an economy?

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Q.6. (Total 3 Marks)

The government of Country **X** is planning to increase the interest rate to control money supply in its country.

- a. What will be the effect of the increase in interest rate on the savings and investment of the citizens of Country **X**? (2 Marks)

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- b. How would this impact the overall economy? (1 Mark)

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Q.7. (Total 4 Marks)

A city's municipal corporation is planning to establish public health care centres in each town of the city. For this purpose, the city government is looking for possible public and private sources of finance.

List any FOUR sources that the city's municipal corporation can use.

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Q.8.

(Total 4 Marks)

Differentiate between economic growth and economic development on the basis of the given criteria.

(**Note:** The first criterion has been completed for your reference.)

Criteria for Difference	Economic Growth	Economic Development
Meaning	Economic Growth is the positive change in the real output of the country in a particular span of time.	It involves rise in production in an economy along with the advancement of technology, improvement in living standards.
Scope		
Area of study		
Duration (i.e. short term or long term)		
Expected changes (i.e. qualitative or quantitative)		

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Q.9. (Total 3 Marks)

*Zakat* and *Ushr* are two important tools of Islamic economic system.

Explain any THREE impacts of these tools on the national economy of Pakistan.

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Q.10.

(Total 7 Marks)

**EITHER**

a.

- i. What does an increase in the real gross domestic product (GDP) mean? (1 Mark)
- ii. Explain THREE benefits of increased GDP for the economy. (6 Marks)

**OR**

b.

- i. With reference to the concept of international trade, describe the term 'trade protectionism'. (1 Mark)
- ii. Explain any THREE strategies that can be used for protecting domestic industries from foreign competition. (6 Marks)

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END OF PAPER

Please use this page for rough work

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