

AGA KHAN UNIVERSITY EXAMINATION BOARD

Notes from E-Marking Centre HSSC-I Principles of Economics Annual Examinations 2023

Introduction

This document has been prepared for the teachers and candidates of Higher Secondary School Certificate (HSSC) Part I (Class XI) Principles of Economics (POE). It contains comments on candidates' responses to the 2023 HSSC-I Examination indicating the quality of the responses and highlighting their relative strengths and weaknesses.

E-Marking Notes

This includes overall comments on candidates' performance on every question and *some* specific examples of candidates' responses which support the mentioned comments. Please note that the descriptive comments represent an overall perception of the better and weaker responses as gathered from the e-marking session. However, the candidates' responses shared in this document represent some specific example(s) of the mentioned comments.

Teachers and candidates should be aware that examiners may ask questions that address the Student Learning Outcomes (SLOs) in a manner that requires candidates to respond by integrating knowledge, understanding and application skills they have developed during the course of study. Candidates are advised to read and comprehend each question carefully before writing the response to fulfil the demand of the question.

Candidates need to be aware that the marks allocated to the questions are related to the answer space provided on the examination paper as a guide to the length of the required response. A longer response will not in itself lead to higher marks. Candidates need to be familiar with the command words in the SLOs which contain terms commonly used in examination questions. However, candidates should also be aware that not all questions will start with or contain one of the command words. Words such as 'how', 'why' or 'what' may also be used.

General Observations

The overall candidates done well attempted the paper. However, few of the candidates encountered challenges primarily related to the comprehension of the question's requirements, occasionally misinterpreting both the command words and the provided stimuli. Specifically, candidates face challenges in questions regarding topics of indifference curve, cost behaviours and their graphs, and calculations of national income. Additionally, there was a limited utilisation of real-world illustrations and the application of economic theories. Some candidates also faced difficulties with calculations. It is suggested that candidates focus on enhancing their grasp of question prompts and refining their aptitude in economic theory application and mathematical calculations for future assessments.

Note: Candidates' responses shown in this report have not been corrected for grammar, spelling, format or factual information.

DETAILED COMMENTS
Constructed Response Questions (CRQs)

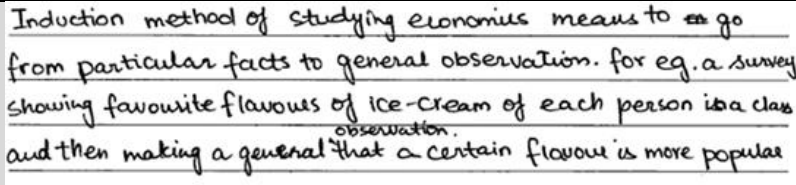
Question No. 1	
Question Text	Describe inductive method of studying economics. Support your answer with an example.
SLO No.	1.1.5
SLO Text	Exemplify inductive and deductive method of studying economics.
Maximum Marks	2
Cognitive Level	U*
Checking Hints	Give ONE mark for each description. Give ONE mark for the example (example may vary)
Overall Performance	Despite it being a direct question, a significant portion of the responses displayed a notable deficiency in comprehending the concept being assessed.
Description of Better Responses	Responses that demonstrated good or better understanding of the inductive method showcased students' grasp of this fundamental approach. They accurately described it as a method that bridges specific facts with broader general norms or laws. Many of these responses offered relatable examples, such as ice cream or ducks, to illustrate the application of the inductive method in forming conclusions based on specific observations.
Image of Better Response	 <p>Induction method of studying economics means to go from particular facts to general observation. for eg. a survey showing favourite flavours of ice-cream of each person in a class ^{observation.} and then making a general that a certain flavour is more popular</p>
Description of Weaker Responses	In weaker responses, a significant number of students inaccurately described the inductive method as "general to particular," which is an incorrect interpretation. These responses often confused the concepts of induction and deduction, intertwining them erroneously. Furthermore, a portion of these weaker responses included vague or irrelevant statements that did not accurately convey the essence of the inductive method.

Image of Weaker Response	<p>It is the method of studying economics. Its verify the satisfying the consumer consume more & more unit of variable & level of satisfaction goes diminish. e.g continuous consumption & suitable size.</p>
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How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
<ul style="list-style-type: none"> Understand the expectations of the command words Look at the cognitive level Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) Refer to the resource guide for extra resources 	<ul style="list-style-type: none"> Story Board Cause and Effect Fish and Bone Concept Mapping Audio Visual resources Think, Pair and Share Questioning Technique (Socratic approach) Practical Demonstration <p>** For description of each pedagogy, refer to Annexure A</p>	<ul style="list-style-type: none"> Knowledge Platform real time assessment Past paper questions Discussion on E-Marking Notes

Any Additional Suggestion To enhance students' understanding of the inductive and deductive methods of studying economics, it is indeed valuable to incorporate relatable examples and practical applications. By bridging theory with real-life scenarios, students can better grasp the concepts and their relevance. Here is a detailed breakdown of the suggested teaching approach:

Examples and Contextualisation: Start with relatable examples that students encounter in their daily lives. For inductive reasoning, you might use scenarios like observing the demand for ice cream increasing during hot weather. For deductive reasoning, consider a situation where students deduce the impact of an increase in oil prices on transportation costs.

Connecting Theory to Practice: Discuss how the inductive method involves drawing general conclusions from specific observations, making it analogous to making generalisations from real-life instances. Contrast this with the deductive method, which involves deriving specific conclusions from general principles.

Dot and Connect Activity: Utilise a dot and connect activity to visually represent the relationships between concepts. Place the inductive and deductive methods as separate "dots" and use connecting lines to show how they relate to specific examples.

Case Scenarios: Develop case scenarios that involve economic situations or decision-making processes. Present these scenarios to students and prompt them to apply their understanding of the inductive and deductive methods to analyse each case.

Interactive Discussion: Facilitate discussions where students are encouraged to voice their opinions on which method is most suitable for different scenarios and why. This promotes critical thinking and application of theoretical knowledge.

Peer Learning: Encourage students to collaborate in groups, discussing and debating which method they would use in various scenarios. This fosters peer learning and the exchange of perspectives.

Class Debate: Organise a class debate where students take opposing sides on the effectiveness of inductive and deductive methods in specific economic contexts. This exercise deepens their understanding through argumentation.

Reflection and Recap: After discussing examples, scenarios, and engaging

activities, facilitate a reflection session where students summarise what they have learned and how these methods can be applied in real-world scenarios.

*K = Knowledge U = Understanding A = Application and other higher-order cognitive skills

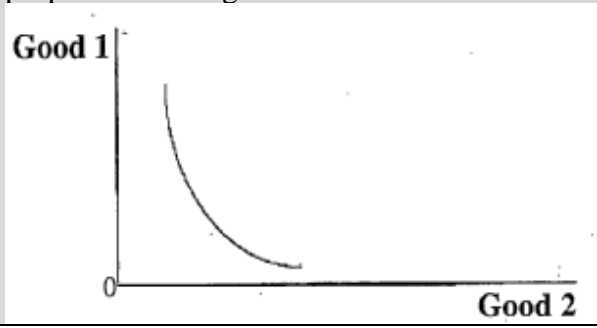
Question No. 2	
Question Text	<p>Given is the indifference curve for two goods. Identify any THREE properties of the given indifference curve.</p> 
SLO No	2.2.2
SLO Text	Explain the properties of indifference curve.
Maximum Marks	3
Cognitive Level	U*
Checking Hints	Give ONE mark for each explanation
Overall Performance	It was encouraging to see that the candidates' performance on these questions was generally good, however few candidates faced challenge to explain properties of indifference curve.
Description of Better Responses	<p>candidates' responses reflected that they have a good understanding of indifference curve (IC). They were able to explain three properties of IC. Mostly responses mentioned properties such as Downward Sloping, Convex to the Origin, Non-intersecting, Completeness. However, few of them also mentioned Transitivity, diminishing marginal rate of substitution, graphically no gaps (jumps) and Boundedness.</p>
Image of Better Response	<p>① Indifference curve is downward sloping.</p> <p>② Indifference curve is convex to the origin.</p> <p>③ Indifference curve do not intersect each other.</p>
Description of Weaker Responses	Some candidates demonstrated a lack of comprehension by confusing indifference curves (IC) with demand and supply curves. In such responses, they erroneously depicted a relationship between prices and goods, which is inappropriate and inaccurate.

Image of Weaker Response	<p>1- When there are 2 goods the good with better pricing strategy sales faster than the other</p> <p>2- the substitutes also depends upon the quantity and the quality.</p> <p>3- It tells about both the goods it's quality and the affordability.</p>	
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How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
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Any Additional Suggestion:

To help students better understand the concept of indifference curves and how they relate to two different goods, it's important to use relatable examples and real-world situations. Explaining the idea of the rate of substitution can be helpful. Additionally, using simple graphs and methods like dot and cross diagrams can make it easier for students to see how these concepts work. When we connect these theories with practical examples from everyday life, students can understand the concepts better and see why they are important.

Question No. 3			
Question Text	In the given table, identify the causes of the following situations of negative and downward sloping of demand curve. (Attempt any THREE)		
	S.No	Situation of Negative and Downward Sloping	Cause
	1	Consumers often substitute one commodity for another.	
	2	A commodity's utility always reduces when the supply of goods is more.	

	3	Affordability of goods allows more people to buy them.	
	4	Falling prices results in people retaining more money for other uses.	
	5	Existing customers purchase even more quantities at lower prices.	

SLO No 3.2.5

SLO Text Illustrate the relationship between price and demand with the help of graph and hypothetical data.

Maximum Marks 3

Cognitive Level U*

Checking Hints Give ONE mark for each cause
(Note: If the student explains with example in the cause column, then this will be considered as correct)

Overall Performance This question posed a slight challenge due to its intricate nature, as it required a comprehensive understanding of the situations presented. While the majority of candidates managed to secure good marks, some found it confusing and thus did not perform strongly. This question asked a familiar concept in a new way, thereby assessing deeper understanding.

Description of Better Responses In better responses, candidates demonstrated deep understanding of the causes behind each of the given situations. Hence, they were able to identify the most relevant cause due to which it resulted in negative or downward sloping. Some candidates just mentioned the law or effect which was causing it, while others mentioned the causes in some detail. Both kinds of responses were awarded marks.

Image of Better Response

S.No	Situation of Negative and Downward Sloping	Cause
1	Consumers often substitute one commodity for another.	When price of one goods increases the demand for other substitute increases that causes demand curve to slope to shift downward known as <u>Substitution cause</u>
2	A commodity's utility always reduces when the supply of goods is more.	This is known as <u>utility cause</u> as supply increases, the demand and marginal utility decreases. Demand only increases if prices are lowered.
3	Affordability of goods allows more people to buy them.	
4	Falling prices results in people retaining more money for other uses.	When price of goods decreases consumers will have more money left so they will use other products that will cause an increase in demand for other goods so demand curve will slope downward. <u>Income cause</u>
5	Existing customers purchase even more quantities at lower prices.	

Description of Weaker Responses In weaker responses, candidates struggled to connect their interpretations of the situations with the underlying causes, which was an essential aspect of the question's basic requirement. This outcome

	emphasises the importance of not only understanding the concept but also being able to apply it in various contexts.
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Image of Weaker Response	S.No	Situation of Negative and Downward Sloping	Cause
	1	Consumers often substitute one commodity for another.	Consumer uses other goods because the good he use Price will increase of that good
	2	A commodity's utility always reduces when the supply of goods is more.	
	3	Affordability of goods allows more people to buy them.	Price will decrease Demand will increase
	4	Falling prices results in people retaining more money for other uses.	
	5	Existing customers purchase even more quantities at lower prices.	Price decrease Demand increase

How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
<ul style="list-style-type: none"> Understand the expectations of the command words Look at the cognitive level Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) Refer to the resource guide for extra resources 	<ul style="list-style-type: none"> Story Board Cause and Effect Fish and Bone Concept Mapping Audio Visual resources Think, Pair and Share Questioning Technique (Socratic approach) Practical Demonstration <p>** For description of each pedagogy, refer to Annexure A</p>	<ul style="list-style-type: none"> Knowledge Platform real time assessment Past paper questions Discussion on E-Marking Notes

Any Additional Suggestion:

To aid students' preparation, educators could utilise this question as an example for practice in the classroom. By offering similar practice questions, teachers can help students develop the skills necessary to tackle such questions effectively.

Question No. 4			
Question Text	Explain any THREE degrees of elasticity of supply in the given table.		
	S.No	Degree of Elasticity of Supply	Explanation
	1	Perfectly Elastic	
	2	Elastic	
	3	Unit Elastic	
	4	Inelastic	

	5	Perfectly Inelastic																			
SLO No	4.5.3																				
SLO Text	explain degrees of elasticity using graph, i.e., a. perfectly elastic, b. elastic, c. unit elastic, d. inelastic e. perfectly inelastic.																				
Maximum Marks	3																				
Cognitive Level	U*																				
Checking Hints	Give ONE mark for each explanation s																				
Overall Performance	Most candidates performed well in this question, which reflected a solid understanding of the degrees of elasticities of supply. Candidates appear to have effectively explained the concept, supported by well-chosen examples.																				
Description of Better Responses	In better responses, candidates demonstrated a clear understanding by providing accurate explanation of degrees of elasticity. Some candidates went a step further by defining the slope of the curve, which helped them explain the different degrees of elasticities more accurately. This attention to detail suggests a strong comprehension of the concept and its nuances.																				
Image of Better Response	<table border="1"> <thead> <tr> <th>S.No</th> <th>Degree of Elasticity of Supply</th> <th>Explanation</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Perfectly Elastic</td> <td></td> </tr> <tr> <td>2</td> <td>Elastic</td> <td></td> </tr> <tr> <td>3</td> <td>Unit Elastic</td> <td>The Percentage Change in demand is is equal to the Percentage Change in Price ($e=1$)</td> </tr> <tr> <td>4</td> <td>Inelastic</td> <td>The Percentage in supply is more less than the Percentage Change in Price ($e < 1$)</td> </tr> <tr> <td>5</td> <td>Perfectly Inelastic</td> <td>It is also know as zero elastic what so ever the Price is supply would not change ($e=0$)</td> </tr> </tbody> </table>			S.No	Degree of Elasticity of Supply	Explanation	1	Perfectly Elastic		2	Elastic		3	Unit Elastic	The Percentage Change in demand is is equal to the Percentage Change in Price ($e=1$)	4	Inelastic	The Percentage in supply is more less than the Percentage Change in Price ($e < 1$)	5	Perfectly Inelastic	It is also know as zero elastic what so ever the Price is supply would not change ($e=0$)
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Description of Weaker Responses	In many of the weaker response of the candidate explained elasticity of demand instead of elasticity of supply and some were unable to appropriately explain elasticity of supply. They were even unable to give numeric value of degrees of elasticity.																				

Image of Weaker Response	S.No	Degree of Elasticity of Supply	Explanation
	1	Perfectly Elastic	more quantity is sold at the same price
	2	Elastic	Elasticity of demand means degree of responsiveness. A small change in price will have a huge change in demand of that good.
	3	Unit Elastic	
	4	Inelastic	big change in price has small effect on demand. It example: if prices of salt increases, people will still buy salt because it is a necessity.
	5	Perfectly Inelastic	

How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
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Any Additional Suggestion:

Question No. 5	
Question Text	Explain the THREE relationships between marginal product (MP) and average product (AP).
SLO No	6.3.4
SLO Text	Explain total product (TP), marginal product (MP) and average product (AP) of labour and capital.
Maximum Marks	3

Cognitive Level	U
Checking Hints	Give ONE mark for each explanation
Overall Performance	Most candidates were unable to attempt this question successfully. This suggests a lack of understanding among these candidates regarding the relationship between marginal product and average product.
Description of Better Responses	In better responses, it was found that candidates provided clear explanations of the relationship between Marginal Product (MP) and Average Product (AP). This indicated a strong comprehension of the law of diminishing returns and its application
Image of Better Response	<p>1) When Average product is increasing Marginal product is greater (above) than Average product.</p> <p>2) When Average product is decreasing Marginal product is less (below) than Average product.</p> <p>3) When Average product is maximum, Marginal product intersect Average product and Average product gets equal to Marginal product $AP = MP$.</p>
Description of Weaker Responses	The weaker responses revealed that some candidates struggled with understanding the relationship between average product (AP) and marginal product (MP). While some such candidates managed to define the concepts of marginal and average, they fell short in explaining the connection between MP and AP, highlighting the need for further clarification and reinforcement of this concept.
Image of Weaker Response	<p>① When the AP increases automatically M.P decrease.</p> <p>② Both take from any price of Commodities.</p> <p>③ AP is always positive & M.p is always negative. and A.p is vertical/horizontal and M.p is vertical.</p>

How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
<ul style="list-style-type: none"> Understand the expectations of the command words Look at the cognitive level Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) 	<ul style="list-style-type: none"> Story Board Cause and Effect Fish and Bone Concept Mapping Audio Visual resources Think, Pair and Share Questioning Technique (Socratic approach) Practical Demonstration <p>** For description of each pedagogy, refer to Annexure A</p>	<ul style="list-style-type: none"> Knowledge Platform real time assessment Past paper questions Discussion on E-Marking Notes
Any Additional Suggestion:		

Question No. 6		
Question Text	Calculate the following costs. <ul style="list-style-type: none"> • Average total cost • Average variable cost • Marginal cost 	
SLO No	7.1.4	
SLO Text	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).	
Maximum Marks	2	
Cognitive Level	A	
Checking Hints	Give ONE mark for each correct calculation.	
Overall Performance	The question pertained to cost calculations and a significant portion of the candidates encountered difficulties in performing accurate calculations. This indicates a potential lack of clarity among candidates regarding the relevant formulae and calculation methodologies.	
Description of Better Responses	In better responses, candidates accurately calculated the required costs by extracting and using the correct values and the relevant formulae. $AC=TC/TU$, $AVC=VC/TU$.	
Image of Better Response	<p>Q) Average variable cost P) Average total cost</p> $= \frac{\text{Variable cost}}{\text{quantity unit}}$ $= \frac{400}{40}$ $= 10$ $= \frac{\text{Total cost}}{\text{quantity unit}}$ $= \frac{480}{30}$ $= 16$	
Description of Weaker Responses	The weaker responses were characterised by incorrect application of the formula and inaccurate computations. Many of these responses contained mathematical errors in the calculations, leading to incorrect results. Despite these mistakes, some marks were granted for correctly applying the formula, even though the calculations themselves were erroneous.	
Image of Weaker Response	<p>Average fixed cost marginal cost</p> $= \frac{\text{Total cost} - \text{quantity}}{\text{quantity}}$ $= \frac{450}{30}$ $= 15$ $= \frac{\text{Total of output}}{\text{Total of Input}}$ $= \frac{640}{480} = 1.333$	
How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
<ul style="list-style-type: none"> • Understand the expectations of the command words 	<ul style="list-style-type: none"> • Story Board • Cause and Effect • Fish and Bone 	<ul style="list-style-type: none"> • Knowledge Platform real time assessment • Past paper questions

<ul style="list-style-type: none"> Look at the cognitive level Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) 	<ul style="list-style-type: none"> Concept Mapping Audio Visual resources Think, Pair and Share Questioning Technique (Socratic approach) Practical Demonstration <p>** For description of each pedagogy, refer to Annexure A</p>	<ul style="list-style-type: none"> Discussion on E-Marking Notes
Any Additional Suggestion:		

Question No. 7			
Question Text	Differentiate between perfect and imperfect competition based on the given criteria.		
	Basis For Comparison	Perfect Competition	Imperfect Competition
	Price Determination		
	Product Differentiation		
	Entrance or Exit from the market		
SLO No	8.1.3		
SLO Text	Differentiate between perfect and imperfect competition.		
Maximum Marks	3		
Cognitive Level	U		
Checking Hints	Give ONE mark for each correct differentiation (THREE required)		
Overall Performance	The question, which asked for the differences between perfect and imperfect markets, was straightforward due to its structured comparison approach. It was encouraging to note that many candidates demonstrated a strong understanding of various market types, enabling them to secure full marks for their responses.		
Description of Better Responses	In better responses, candidates demonstrated a solid understanding of the assumptions underlying different market types. This foundational knowledge facilitated their effective comparison of these markets using various bases which were provided.		

Image of Better Response	Basis For Comparison	Perfect Competition	Imperfect Competition
	Price Determination	This act as price takers. Prices are determined by the market.	This act as price maker. Prices are determined by the seller.
	Product Differentiation	The buyers sale the same products having same properties.	The buyers sale the products which are different to each other
Entrance or Exit from the market	New firms can exit and enter freely anytime.	New firms can not enter the ^{market} firm nor exit the firm easily.	

Description of Weaker Responses
 In weaker responses, candidates struggled to effectively compare different types of markets, likely due to a lack of understanding of the underlying assumptions. These candidates erroneously mixed-up concepts, conflating (overlap) markets with supply and stock. They also attempted to relate the impact of supply and stock on commodity prices, which was not relevant to the question's requirement of comparing perfect and imperfect markets based on their assumptions.

Image of Weaker Response	Basis For Comparison	Perfect Competition	Imperfect Competition
	Price Determination	Supply shot then Price Determination	Shot prize Changing in prize
	Product Differentiation	manufacture and the product then supply	Small Scale and Large
Entrance or Exit from the market	Bulk going in to mark	Not shortage	

How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
<ul style="list-style-type: none"> Understand the expectations of the command words Look at the cognitive level Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like 	<ul style="list-style-type: none"> Story Board Cause and Effect Fish and Bone Concept Mapping Audio Visual resources Think, Pair and Share Questioning Technique (Socratic approach) Practical Demonstration 	<ul style="list-style-type: none"> Knowledge Platform real time assessment Past paper questions Discussion on E-Marking Notes

analysing or evaluating)	** For description of each pedagogy, refer to Annexure A	
Any Additional Suggestion:		

Question No. 8	
Question Text	<p>The following figures are extracted from an economy:</p> <ul style="list-style-type: none"> • Consumption 150 million \$ • Investment 120 million \$ • Government expenditure 75 million \$ • Exports 250 million \$ • Imports 150 million \$ • Remittance 100 million \$ • Foreign payments 50 million \$ • Depreciation 150 million \$ <p>Compute the following:</p> <ol style="list-style-type: none"> i. GDP ii. GNP iii. NNP
SLO No	10.1.4
SLO Text	Calculate GDP, GNP, NNP, NI, PI, DI and per capita income (PCI).
Maximum Marks	3
Cognitive Level	U
Checking Hints	Give ONE mark for each correct calculation.
Overall Performance	It is promising to see that most candidates successfully computed the accurate values of GDP, GNP, and NNP. Their ability to do so reflects a strong understanding of these economic indicators.
Description of Better Responses	Better responses accurately calculated the components of GDP, GNP, and NNP. This indicates a solid understanding of the various elements that contribute to these economic indicators. Such candidates effectively applied their knowledge to break down the composition of these measures, highlighting their comprehension of the underlying economic concepts.
Image of Better Response	$GDP = \text{Consumption} + \text{Investment} + \text{Government Expenditure} + (\text{Export} - \text{Import})$ $GDP = 150 + 120 + 75 + (250 - 150)$ $GDP = 445 \text{ million } \$$ $GNP = GDP + (\text{Remittances} - \text{Foreign payment})$ $GNP = 445 + (100 - 50)$ $GNP = 495 \text{ million } \$$ $NNP = GNP - \text{Depreciation}$ $NNP = 495 - 150, NNP = 345 \text{ million } \$$

Description. of Weaker Response	It appears that some candidates struggled with a proper understanding of GDP, GNP, and NNP. These candidates not only made errors in their calculations but also used incorrect formulas to compute their values.	
Image of Weaker Response	$\text{consumption} + \text{Investment} + \text{Government exp} + \text{Export} - \text{Import} + \text{Remittance} + \text{foreign}$ $\text{Payments} = \text{GDP}$ $150 + 120 + 75 + 250 = 150 + 100 + 50 = 595$ $\text{GNP} = \text{GDP} - \text{Depreciation}$ $\text{GNP} = 595 - 150$ $\text{GNP} = 145$ $\text{NNP} = \text{GDP} - \text{GNP}$ $\text{NNP} = 595 - 145 \quad \text{NNP} = 400 \text{ million } \$$	
How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
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Any Additional Suggestion:		

Question No. 9	
Question Text	Differentiate between balance of trade and balance of payment on the basis of the given criteria. (Attempt any THREE)
SLO No	13.3.2
SLO Text	Differentiate between balance of trade and balance of payment.
Maximum Marks	3
Cognitive Level	U*
Checking Hints	Give one mark for each differentiate (any three)
Overall Performance	Although the question was based on a basic concept and provided clear criteria for differentiation, it is concerning that almost half of the candidates struggled to distinguish between balance of trade (BOT) and balance of payments (BOP).

Description of Better Responses
 Better responses mentioned accurate distinctions which included difference in definitions, explaining the types of transactions occurring between countries, and recognising how a surplus or deficit in trade impacts the overall balance of payments.

Image of Better Response	Criteria	Balance of Trade	Balance of Payments
	Definition	difference between countries exports and imports with rest of the world is recorded balance of trade.	Balance of Payments records all the transactions done by any country with rest of the world.
	Type of transactions included	Transactions related to current account are recorded includes imports & exports.	Transactions related to capital account as well as current are recorded.
	Net effect	It gives partial view of country's economy. deficit or surplus budget.	It give clear view of country's economy.
How is it calculated			

Description of Weaker Responses
 Weaker responses struggled to differentiate between balance of trade (BOT) and balance of payments (BOP), often confusing these concepts with GDP, GNP, consumer income, and other unrelated economic measures.

Image of Weaker Response	Criteria	Balance of Trade	Balance of Payments
	Definition	It records balance of Imports & exports of Goods & services. Intangible (Tangible & Intangible)	It records balance of Imports and exports of Good only (Tangible items)
	Type of transactions included		
	Net effect	Deficit in BOT reduce GNP and surplus in BOT increase GNP	Deficit in BOP also reduce GDP and surplus in BOP increase GDP.
How is it calculated	Imports of Tangible & Intangible items amount are deducted from export of tangible & Intangible items amount.	Import of Tangible items amount deducted from export of tangible items amount.	

How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
<ul style="list-style-type: none"> Understand the expectations of the command words Look at the cognitive level Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be 	<ul style="list-style-type: none"> Story Board Cause and Effect Fish and Bone Concept Mapping Audio Visual resources Think, Pair and Share Questioning Technique (Socratic approach) Practical Demonstration 	<ul style="list-style-type: none"> Knowledge Platform real time assessment Past paper questions Discussion on E-Marking Notes

required like analysing or evaluating)	** For description of each pedagogy, refer to Annexure A	
Any Additional Suggestion:		

Question No.10	
Question Text	Describe the given types of taxations. Regressive tax Proportional tax Progressive tax
SLO No	14.2.4
SLO Text	Describe the classification of taxation, i.e. regressive, progressive and proportional.
Maximum Marks	3
Cognitive Level	U
Checking Hints	Give one mark for each description (THREE required).
Overall Performance	This question is about types of taxation and majority of candidates accurately addressed this basic question.
Description of Better Responses	Better responses provided accurate descriptions of various types of taxes which correctly differentiated between the various types of taxes.
Image of Better Response	<p>Regressive tax <u>The rate of tax is high on the low income groups and low on the high income groups.</u></p> <p>Proportional tax <u>The rate of tax is same on all the income groups i.e. the rich or poor.</u></p> <p>Progressive tax <u>The rate of tax increases with the increase in income of the person. And the rate of tax is lower for low income groups</u></p>
Description of Weaker Responses	In weaker responses, the descriptions centred around direct and indirect taxes, associating them with industrial taxes and their application to small and large industries. This demonstrated a misconception, as direct and indirect taxes encompass a broader range of taxation categories that extend beyond just industrial considerations.
Image of Weaker Response	<p>Regressive tax <u>is those tax to direct salary to cutdown the tax is regressive tax.</u></p> <p>Proportional tax <u>is those tax to indirect tax to purchase the item & cut down the tax is called propotional tax.</u></p> <p>Progressive tax <u>is those tax that combine regressive & propotional tax.</u></p>

How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
<ul style="list-style-type: none"> Understand the expectations of the command words Look at the cognitive level Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) 	<ul style="list-style-type: none"> Story Board Cause and Effect Fish and Bone Concept Mapping Audio Visual resources Think, Pair and Share Questioning Technique (Socratic approach) Practical Demonstration <p>** For description of each pedagogy, refer to Annexure A</p>	<ul style="list-style-type: none"> Knowledge Platform real time assessment Past paper questions Discussion on E-Marking Notes
Any Additional Suggestion:		

Extended Response Questions (ERQs)

Extended response questions offered a choice between part 'a' and 'b'

Question No. 11a	
Question Text	Equilibrium price is a price where demand and supply are equal. This equilibrium price is affected by the change in demand and change in supply. With the help of graph, explain separately the effect of the following changes on price level: I. Increase in demand. II. Increase in supply.
SLO No	5.1.4
SLO Text	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.
Maximum Marks	7
Cognitive Level	U
Checking Hints	Give 1 mark for initial equilibrium Give 1 mark for correct shifting Give 1 mark for new equilibrium (Note: The same criteria will be applied on increase in demand and supply case) 1 mark should be assigned to explain the graph drawn on the basis of given scenario.
Overall Performance	This question addressed price equilibrium and the common difficulties candidates face was in illustrating the impact of changes in demand and supply on it.

Description of Better Responses

It is noteworthy that better responses effectively covered the fundamental concepts of the law of demand and the law of supply, along with the additional factors that influence shifts in demand and supply curves, ultimately leading to the establishment of new equilibrium points. By addressing the question's requirements accurately, such candidates demonstrated their understanding of the intricate relationship between these economic principles and the resultant market dynamics.

Image of Better Response

(i) Increase in Demand:

In this graph, At equilibrium level Price = P_1 & Quantity = Q_1 .
When Demand increases & shortage occurs because of excess demand the equilibrium point shifts from e To f. Causing the prices to rise and Quantity demanded also rise. (due to other factors than price)

$\therefore D_m = S_m + P_1 + Q_1 \rightarrow \uparrow D_m + \bar{S}_m \rightarrow D_m > S_m \rightarrow \text{Shortage} \rightarrow P_2 + Q_2 \rightarrow D_m = S_m \rightarrow P_1 < P_2 + Q_1 < Q_2$. [e = old equilibrium point f = new equilibrium point].

(ii) Increase In Supply:

In this graph, At equilibrium point e Price = P_1 & Quantity = Q_1 .
When supply increases & surplus occurs because of excess supply Supply curve shifts from left to right. due to other factors.
Price declines & Quantity increases. $\therefore D_m = S_m + P_1 + Q_1 \rightarrow \bar{D}_m + \uparrow S_m \rightarrow S_m > D_m \rightarrow \text{Surplus} \rightarrow P_2 + Q_2 \rightarrow D_m = S_m \rightarrow P_1 > P_2 + Q_1 < Q_2$

Description of Weaker Responses

In weaker responses, candidates misunderstood the question and incorrectly associated it with market equilibrium. They even presented two separate graphs displaying both curves to illustrate a new equilibrium point, which was not in line with the question's requirements.

Image of Weaker Response

(Q1) Part A.

Increase Change in demand

Increase Change in Supply

Increase Change in demand causes a rise in price level

Increase in supply cause a fall in price level.

How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
<ul style="list-style-type: none"> Understand the expectations of the command words Look at the cognitive level Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) 	<ul style="list-style-type: none"> Story Board Cause and Effect Fish and Bone Concept Mapping Audio Visual resources Think, Pair and Share Questioning Technique (Socratic approach) Practical Demonstration <p>** For description of each pedagogy, refer to Annexure A</p>	<ul style="list-style-type: none"> Knowledge Platform real time assessment Past paper questions Discussion on E-Marking Notes
Any Additional Suggestion:		

Question No. 11b											
Question Text	<p>With reference to the given information, explain any THREE causes of recent inflation in Pakistan.</p> <div style="text-align: center;"> <table border="1"> <caption>Inflation</caption> <thead> <tr> <th>Month</th> <th>Inflation Rate</th> </tr> </thead> <tbody> <tr> <td>July 2019</td> <td>10.3%</td> </tr> <tr> <td>July 2020</td> <td>9.3%</td> </tr> <tr> <td>July 2021</td> <td>8.7%</td> </tr> <tr> <td>July 2022</td> <td>24.9%</td> </tr> </tbody> </table> </div>	Month	Inflation Rate	July 2019	10.3%	July 2020	9.3%	July 2021	8.7%	July 2022	24.9%
Month	Inflation Rate										
July 2019	10.3%										
July 2020	9.3%										
July 2021	8.7%										
July 2022	24.9%										
SLO No	11.2.6										
SLO Text	Analyse the effect of inflation and deflation on the economy of Pakistan.										
Maximum Marks	7										
Cognitive Level	U										
Checking Hints	<p>Give 1 mark to identify each cause (3 required)</p> <p>Give 1 mark to explain each cause (3 required)</p> <p>Give 1 mark to link the answer with the current scenario of Pakistan</p>										

Overall Performance	Mostly candidates opted this question and score good. It is impressive to observe that most candidates effectively analysed the provided information and utilised it to identify and explain the causes of inflation specific to Pakistan.
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Description of Better Responses	Better responses demonstrated a strong awareness of the current economic conditions that impact inflation and how these conditions negatively affect Pakistan's economy. Such responses demonstrated devaluation, cost push inflation, trade deficit, unemployment, instability on the country's economic landscape.
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Image of Better Response	<p>1- The current situation of Pakistan is one of the main reason of inflation because of political instability people are facing difficulties in economic activities such as production.</p> <p>2- Decrease in money value is also a important factor of inflation because then our import prices will rise and because of this inflation will rise</p> <p>3- Less per capita investment is also the cause of inflation because if there will be more investment so there will be more job opportunity and it would increase production and at present decrease inflation</p>
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Description of Weaker Responses	Weaker responses demonstrated limited awareness about current economic conditions in Pakistan. Moreover, they mistakenly mixed economic considerations with unrelated factors like politics, taxes, and trade.
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Image of Weaker Response	<p>The major cause of inflation in Pakistan is that there are really corrupt politicians who believes to feed themselves first. Corrupted politicians, police officers, army officers. They all worked just for the destruction of Pakistan.</p> <p>In Pakistan, because of these corrupted politicians there is no progress. The second cause is the coward and lazy nation people. They are all do not want to leave their comfort place and are unemployed. Lastly, Pakistan is drowned in debt because of these greedy people.</p>
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How to Approach SLO	Pedagogy** Used for that SLO	Assessment Strategies
<ul style="list-style-type: none"> Understand the expectations of the command words 	<ul style="list-style-type: none"> Story Board Cause and Effect Fish and Bone Concept Mapping 	<ul style="list-style-type: none"> Knowledge Platform real time assessment Past paper questions

<ul style="list-style-type: none"> • Look at the cognitive level • Identify the content that is required to answer that question (both in terms of understanding of concepts and any skills that may be required like analysing or evaluating) 	<ul style="list-style-type: none"> • Audio Visual resources • Think, Pair and Share • Questioning Technique (Socratic approach) • Practical Demonstration <p>** For description of each pedagogy, refer to Annexure A</p>	<ul style="list-style-type: none"> • Discussion on E-Marking Notes
<p>Any Additional Suggestion:</p>		

Annexure A: Pedagogies Used for Teaching the SLOs

Pedagogy: Storyboard

Description: A visual pedagogy that uses a series of illustrated panels to present a narrative, encouraging creativity and critical thinking. It helps learners organise ideas, sequence events, and comprehend complex concepts through storytelling.

Example: In a Literature class, students are tasked with creating storyboards to visually retell a novel. They draw key scenes, write captions, and present their stories to the class, enhancing their reading comprehension and fostering their imagination.

Pedagogy: Cause and Effect

Description: This pedagogy explores the relationships between actions and consequences. By analysing cause-and-effect relationships, learners develop a deeper understanding of how events are interconnected and how one action can lead to various outcomes.

Example: In a History class, students study the causes and effects of the Industrial Revolution. They research and discuss how technological advancements in manufacturing led to significant societal changes, such as urbanisation and labour reform movements.

Pedagogy: Fish and Bone

Description: A method that breaks down complex topics into main ideas (the fish) and supporting details (the bones). This visual approach enhances comprehension by highlighting essential concepts and their relevant explanations.

Example: During a Biology class on human anatomy, the teacher uses the fish and bone technique to teach about the human skeletal system. Teacher presents the main components of the human skeleton (fish) and elaborates on each bone's structure and function (bones).

Pedagogy: Concept Mapping

Description: An effective way to visually represent relationships between ideas. Learners create diagrams connecting key concepts, aiding in understanding the overall structure of a subject and fostering retention.

Example: In a Psychology assignment, students use concept mapping to explore the various theories of personality. They interlink different theories, such as Freud's psychoanalysis, Jung's analytical psychology, and Bandura's social-cognitive theory, to see how they relate to each other.

Pedagogy: Audio Visual Resources

Description: Incorporating multimedia elements like videos, images, and audio into lessons. This approach caters to different learning styles, making educational content more engaging and memorable.

Example: In a General Science class, the teacher uses a documentary-style video to teach about the solar system. The video includes stunning visual animations of the planets, interviews with astronomers, and background music, enhancing students' interest and understanding of space.

Pedagogy: Think, Pair, and Share

Description: A collaborative learning technique where students ponder a question or problem individually, then discuss their thoughts in pairs or small groups before sharing with the entire class. It fosters active participation, communication skills, and diverse perspectives.

Example: In a Literature in English class, the teacher poses a thought-provoking question about a novel's moral dilemma. Students first reflect individually, then pair up to exchange their opinions, and finally participate in a lively class discussion to explore different viewpoints.

Pedagogy: Questioning Technique (Socratic Approach)

Description: Based on Socratic dialogue, this method stimulates critical thinking by posing thought-provoking questions. It encourages learners to explore ideas, justify their reasoning, and discover knowledge through a process of inquiry.

Example: In an Ethics class, the instructor uses the Socratic approach to lead a discussion on the meaning of justice. By asking a series of probing questions, the students engage in a deeper exploration of ethical principles and societal values.

Pedagogy: Practical Demonstration

Description: A hands-on approach where learners observe real-life applications of theories or skills. Practical demonstrations enhance comprehension, skill acquisition, and problem-solving abilities by bridging theoretical concepts with real-world scenarios.

Example: In a Food and Nutrition class, the instructor demonstrates the proper technique for filleting a fish. Students observe and then practice the skill themselves, learning the practical application of knife skills and culinary precision.

(Note: The examples provided in this annexure serve as illustrations of various pedagogies. It is important to understand that these pedagogies are versatile and can be applied across subjects in numerous ways. Feel free to adapt and explore these techniques creatively to enhance learning outcomes in your specific context.)

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- Munira Muhammad, Lead Specialist, Assessment, AKU-EB
- Zain Muluk, Manager, Examination Development, AKU-EB
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