



# **Bhutan Council for School Examination and Assessment**

**Economics**

**Assessment Syllabus**

**Key Stage 5 (Classes XI and XII)**

**2026-2030**

## **Contact Us**

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## 1. Why Choose this syllabus?

The Economics syllabus for key stage 5, under BCSEA, is designed to help students connect economic theories with real-world situations, making learning both meaningful and practical. It nurtures curiosity and critical thinking, enabling learners to analyse issues, evaluate evidence, and communicate ideas with clarity.

The syllabus also emphasizes values such as responsibility and social awareness, preparing students not only for higher education and careers in economics, business, finance, and public policy, but also to become thoughtful and responsible citizens in society.

### Key Benefits

- **Develops economic thinking and problem-solving:** Learners analyse how individuals, firms, and governments allocate scarce resources, evaluate choices, and respond to changing economic conditions.
- **Strengthens analytical and decision-making skills:** Through the study of production, costs, markets, and macroeconomic policies, students compare alternatives and assess trade-offs, efficiency, and opportunity cost.
- **Builds understanding of enterprise and the role of firms:** Students examine business objectives, market structures, and the contribution of entrepreneurship to economic growth, employment, and innovation.
- **Promotes ethical and sustainable economic perspectives:** Learners appreciate the social and environmental implications of economic activity, including equity, sustainability, and responsible resource use.
- **Prepares learners for further study and the world of work:** The syllabus equips students with transferable skills—data interpretation, critical evaluation, and economic reasoning—relevant for higher education, public service, business, and related careers.

## What students gain

Students completing this syllabus will:

- Apply economic knowledge in both familiar and complex contexts, interpreting data and analysing real-world issues.
- Analyse and evaluate economic information critically and responsibly, considering different perspectives and possible outcomes.
- Develop higher-order thinking skills including analysis, problem-solving, and critical evaluation, valued highly in universities and workplaces.
- Present clear and coherent arguments, using appropriate economic concepts, theories, and evidence.
- Learn independently and conduct research, building confidence in applying economics beyond the classroom.
- Appreciate the broader impact of economic decisions on people, society, governance, and the environment, in alignment with Bhutan's development philosophy of Gross National Happiness.

## Key Concepts

They enable students to connect economic topics across strands, think critically about economic issues, and apply economic knowledge to real-world and national development contexts. The following key concepts are framed to encourage holistic learning and align with the values of Gross National Happiness (GNH).

### 1. Foundations of Economics

Economics begins with the problem of scarcity and choice. Learners explore opportunity cost and fundamental economic questions to understand how individuals and societies allocate limited resources, promoting informed and responsible decision-making that reflects personal and community needs.

### 2. Microeconomic Decision-Making

Economic outcomes are shaped by individual and firm-level decisions. Learners examine consumer behavior, demand and supply, elasticity, production, costs, revenues, and market structures to develop analytical, rational, and ethical decision-making skills.

### **3. Markets, Efficiency, and Welfare**

Markets influence resource allocation and social outcomes. Learners explore market efficiency, market failure, labour markets, employment, unemployment, and human capital, fostering understanding of fairness, social justice, and the impact of economic policies on community well-being.

### **4. National Economic Management**

Economic stability depends on effective governance and policy choices. Learners study Bhutan's economic system, national income accounting, macroeconomic indicators, fiscal and monetary policy, and public finance to understand how policy decisions promote stability, equity, and sustainable development.

### **5. International and Global Economics**

Economies are interconnected in a globalised world. Learners examine international trade, balance of payments, exchange rates, multinational enterprises, and foreign direct investment, developing awareness of Bhutan's engagement with the global economy while safeguarding cultural identity and environmental integrity.

### **6. Progress, Development, and Sustainability**

Economic progress extends beyond income growth. Learners explore inclusive development, human capital formation, sustainable resource use, and long-term national welfare, linking economic development with environmental sustainability, cultural preservation, and the pillars of Gross National Happiness.

### **7. Critical and Reflective Economic Thinking**

Economics requires questioning assumptions and evaluating evidence. Integrated across all topics, learners develop higher-order thinking skills to analyse data, assess policies, consider ethical implications, and propose solutions that enhance overall happiness and societal well-being.

## Recognition and Support

### **National and International Recognition**

BCSEA qualifications are designed to meet high academic standards and to prepare learners for success both within Bhutan and globally. The BHSEC Economics curriculum equips students with rigorous economic knowledge, analytical skills, and critical thinking abilities valued by universities, employers, and policy-oriented institutions worldwide.

Students who complete the Economics syllabus can confidently pursue higher education locally or internationally, as the programme aligns with global expectations for economic literacy, data interpretation, problem-solving, and evidence-based evaluation. Graduates are well prepared to continue studies in economics, business, finance, public policy, or related disciplines, and are equally equipped for careers that require informed decision-making, adaptability, and an understanding of economic systems at national and global levels.

### **Supporting Teachers**

Effective education depends on the alignment of curriculum, teaching, learning, and assessment. BCSEA supports teachers by providing guidance and resources to design, deliver, and interpret assessments that accurately measure student understanding and skills. Teachers have access to:

#### **Assessment-aligned planning resources**

syllabus frameworks, schemes of work, and sample assessment tasks to ensure teaching targets key learning outcomes.

#### **Tools for monitoring and evaluating learning**

Model answers, past papers, and exemplars to help teachers assess students' application of economic concepts, analytical skills, and critical thinking.

#### **Results analysis and feedback:**

Detailed assessment reports and performance data to identify strengths, gaps, and trends, enabling teachers to refine instruction and improve student achievement.

#### **Support for fair and consistent marking**

Guidance on rubrics, marking schemes, and moderation practices to maintain reliability and transparency in assessment.

## Professional Development in Assessment

As an awarding body, BCSEA provides targeted professional development in Economics assessment to ensure that teachers, examiners, and markers:

- understand Economics assessment objectives and command words, ensuring appropriate emphasis on knowledge, application, analysis, and evaluation.
- can accurately interpret and apply Economics marking schemes, including level-based marking, use of economic reasoning, and consistent award of marks for diagrams, data response, and evaluation.
- are skilled in providing subject-specific feedback, helping learners improve economic analysis, use of evidence, and structured argumentation.
- remain up-to-date with developments in Economics assessment, including changes to question styles, standards, and moderation processes.

Through this approach, BCSEA ensures high-quality, fair, and reliable assessment in Economics, supporting consistency across centres and enabling both learners and educators to achieve academic excellence.

## 2. Syllabus overview

### Aims

The aims describe the purposes of a course based on this syllabus.

The aims are to enable students to:

- understand key economic concepts, principles, and theories at micro, macro, and global levels
- apply economic reasoning, models, and data to real-world issues in Bhutan and beyond
- analyse and evaluate markets, policies, and development strategies in terms of efficiency, equity, and sustainability
- develop quantitative, problem-solving, and communication skills for interpreting and presenting economic information
- appreciate ethical, social, and environmental dimensions of economic decision-making
- build knowledge and skills for further study or employment in economics, business, or related fields

## Content Overview (key stage 5)

Strands	XI Topics	XII Topics
1. Individual Economics	<ul style="list-style-type: none"> <li>• Subject Matter of Economics</li> <li>• Basic Economic Problem</li> <li>• Consumer Behaviour and Demand Analysis</li> <li>• Supply Analysis and Market Equilibrium</li> <li>• Elasticity of Demand and Supply</li> <li>• Market Failure</li> </ul>	<ul style="list-style-type: none"> <li>• Production Function and Laws of Returns</li> <li>• Cost Analysis and Scale of Production</li> <li>• Revenue Analysis</li> <li>• Market Structures</li> <li>• Equilibrium of a Firm.</li> </ul>
2. National Economics	<ul style="list-style-type: none"> <li>• Economic Systems and Macroeconomic Planning in Bhutan</li> <li>• Macroeconomic Indicators and Inflation Analysis</li> <li>• Human Capital and Economic Development</li> <li>• Circular Flow and National Income Accounting</li> <li>• Labour Market: Employment and Unemployment</li> </ul>	<ul style="list-style-type: none"> <li>• Monetary Policy</li> <li>• Planning and Managing Public Finance</li> <li>• Fiscal Stability and Public Borrowing</li> <li>• Fiscal Policy</li> </ul>
<ul style="list-style-type: none"> <li>• Global Economics</li> </ul>	<ul style="list-style-type: none"> <li>• International Trade and Global Economic Relations</li> <li>• Balance of Payments</li> </ul>	<ul style="list-style-type: none"> <li>• Multinational Companies and Foreign Direct Investment</li> <li>• Exchange Rate</li> </ul>

## Assessment Overview

Component I: Paper 1 (Individual Economy)	Component II: Paper 2 (National & Global Economy)
<p>Section A: 20 Multiple Choice questions of 1 mark each</p> <p>Section B: Two structured questions of 15 marks each, containing four sub-parts.</p> <p>Section C: One structured question of 20 marks, containing two sub-parts.</p> <p>2 hours</p> <p>70 marks (Minimum 30% of the content of XI will be included)</p> <p>Externally assessed</p> <p>Weightage 40%</p> <p>Questions are based on strand 1 of the subject content</p>	<p>Section A: 20 Multiple Choice questions of 1 mark each</p> <p>Section B: Two structured questions of 15 marks each, containing four sub-parts.</p> <p>Section C: One structured question of 20 marks, containing two sub-parts.</p> <p>2 hours</p> <p>70 marks (Minimum 30% of the content of XI will be included)</p> <p>Externally assessed</p> <p>Weightage 40%</p> <p>Questions are based on strand 2 and 3 of the subject content</p>
Component III: Course Work	
<p>Assignment 40 marks</p> <p>Weightage 20%</p> <p>Internally assessed and externally verified.</p>	

## Assessment Objectives

The assessment objectives (AOs) are:

### AO1: Knowledge and Understanding

- Recall and explain economic concepts, principles, laws, and theories.
- Demonstrate knowledge of microeconomics and macroeconomics.
- Show understanding of national economic systems, planning, and policies.
- Use correct economic terminology, diagrams, and formulae.

### AO2: Application

- Apply economic concepts, theories, and models to a range of contexts.
- Use economic tools to illustrate economic relationships.
- Interpret economic indicators and data.

### AO3: Analysis

- Analyse economic relationships using theories, laws, and models.
- Examine the causes and consequences of economic problems and policy decisions.
- Break down economic issues logically, showing clear chains of reasoning supported by diagrams and evidence.

### AO4: Evaluation

- Evaluate the effectiveness and limitations of economic policies.
- Compare advantages and disadvantages of structures, policies, and global relations.
- Make judgements and draw conclusions supported by evidence and based on ethical, legal, environmental and social considerations.

## Weighting for assessment objectives

The approximate weightings allocated to each of the assessment objectives (AOs) are summarised below.

Assessment objective	Weighting in key stages V (%)
AO1 Knowledge and understanding	35
AO2 Application	29
AO3 Analysis	24
AO4 Evaluation	12
<b>Total</b>	<b>100</b>

### Assessment objectives as a percentage of each component

Assessment objective	Weighting in Components %		
	Paper 1	Paper 2	Coursework
AO1 Knowledge and understanding	40	40	25
AO2 Application	29	29	30
AO3 Analysis	20	20	32
AO4 Evaluation	11	11	13
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

### 3. Details of the assessment

#### Component I: Paper 1 (Individual Economy)

Marks:70

- In **Section A**, there are **twenty multiple-choice questions**, each worth 1 mark.
- In **Section B**, there are **two structured questions**, divided into **four sub parts**.
- In **Section C**, there is **one structured question**, divided into **two sub parts**.
- Questions in section B and C will have stimulus, which includes information in written, numerical and/or diagrammatic form. Candidates need to answer the questions using relevant and appropriate information from the stimulus text to support their answers.
- Candidates answer all questions. Candidates answer on the question paper.
- Minimum of 30% of the marks are based on class XI content.
- Candidates must use the formulae given in the appendix to section 4. These are the only formulae accepted in candidate responses.
- Where candidates are asked to make recommendations or decisions, they are expected to support their answer with reasons while covering both (often opposite) sides of the argument, and to justify their recommendation or decision.
- Section A assesses AO1 Knowledge and understanding and AO2 Application  
Section B and C assess AO1 Knowledge and understanding, AO2 Application, AO3 Analysis and AO4 Evaluation.

## Component II: Paper 2 (National and Global Economy)

Marks:70

- In **Section A**, there are **twenty multiple-choice questions**, each worth 1 mark.
- In **Section B**, there are **two structured questions**, divided into **four sub parts**.
- In **Section C**, there is **one structured question**, divided into **two sub parts**.
- Questions in section B and C will have stimulus, which includes information in written, numerical and/or diagrammatic form. Candidates need to answer the questions using relevant and appropriate information from the stimulus text to support their answers.
- Candidates answer all questions. Candidates answer on the question paper.
- Candidates must use the formulae given in the appendix to section 3. These are the only formulae accepted in candidate responses.
- Where candidates are asked to make recommendations or decisions, they are expected to support their answer with reasons while covering both (often opposite) sides of the argument, and to justify their recommendation or decision.
- Section A assesses AO1 Knowledge & understanding and A02 Application.
- Sections B and C assess AO1 Knowledge and understanding, A02 Application, AO3 Analysis and AO4 Evaluation.

## Component III – Coursework (40 marks)

- Internally assessed and externally verified.
- Component 3 tests assessment objectives AO1, AO2, AO3 and AO4.
- Students are expected to spend approximately 2–3 weeks completing this coursework, involving about 10–15 hours of focused work. This time should be used for researching and analysing an assigned or chosen economic issue/topic, interpreting relevant data, applying economic concepts and theories, and preparing a structured analytical report.
- The report should demonstrate understanding of key economic concepts, use of appropriate diagrams and data where applicable, critical analysis, and well-reasoned conclusions or policy recommendations.
- The coursework will require candidates to complete a series of tasks related to a start-up business.
- Further details about types of coursework task, mark schemes and guidance around administration will be provided before the first year of assessment.

## 4. Formula

### Class XI

#### Consumer Behaviour and Demand Analysis

$$MU = \frac{\Delta TU}{\Delta C}$$

#### Elasticity of Demand and Supply

Price Elasticity of Demand

$$e_p = \frac{\Delta Qd}{\Delta P} \times \frac{P}{Qd}$$

Price Elasticity of Supply

$$e_s = \frac{\Delta Qs}{\Delta P} \times \frac{P}{Qs}$$

#### Macroeconomic Indicators and Inflation Analysis

Aggregate Expenditure Method

$$CPI = \frac{\sum P_1Q_1}{\sum P_0Q_0} \times 100$$

Family Budget Method

$$CPI = \frac{\sum WP}{\sum W} \text{ where : } P = \frac{P_1}{P_0} \times 100$$

#### Circular Flow of Income and National Income Accounting

Product Method

$$\begin{aligned} NNP_{FC} = & \text{Gross Value of output} - \text{Intermediate Consumption} \\ & - \text{Depriciation} \\ & - \text{Net Indirect Taxes} \\ & + \text{Net Factor Income from abroad} \end{aligned}$$

### Income Method

$$\begin{aligned} \text{NNP}_{FC} &= \text{Compensation of employees} \\ &+ \text{Operating surplus} \\ &+ \text{Mixed Income} \\ &+ \text{Net Factor Income from abroad} \end{aligned}$$

### Expenditure Method

$$\begin{aligned} \text{NNP}_{FC} &= \text{Private Final Consumption Expenditure} \\ &+ \text{Government Final Consumption Expenditure} \\ &+ \text{Investment Expenditure} \\ &+ \text{Net Exports } (X - M) \\ &- \text{Depreciation} \\ &- \text{Net Indirect Taxes} \\ &- \text{Net Factor Income from abroad} \end{aligned}$$

## Class XII

### Production

$$AP = \frac{TP}{L}$$

$$MP = \frac{\Delta TP}{\Delta L}$$

### Cost

$$TC = TFC + TVC$$

$$AC = \frac{TC}{Q}, AVC = \frac{TVC}{Q}, AFC = \frac{TFC}{Q}$$

$$MC = \frac{\Delta TC}{\Delta Q}$$

### Revenue

$$TR = P \times Q$$

Average Revenue

$$AR = \frac{TR}{Q}$$

$$MR = \frac{\Delta TR}{\Delta Q}$$

### Credit Creation

$$\text{New Deposits} = \frac{1}{RR} \times \Delta D$$

**Note: Candidates can use calculator for all papers.**

## 5. What else you need to know

### Before you start

#### Previous study

Learners beginning this course are recommended to have completed prior study in economics equivalent to the Bhutan Certificate of Secondary Education (BCSE).

#### Guided learning hours

The course is designed to require approximately 140 guided learning hours for class XI and 140 guided learning hours for Class XII.

#### Combining with other syllabuses

Candidates may take this syllabus alongside other BCSEA syllabuses, except where syllabuses have the same title and level.

### Making entries

- Centres should ensure candidates are entered for the correct syllabus components. Entry instructions are available in the Operation Guidelines for Examination and Assessment (OGEA) available at [www.bcsea.bt](http://www.bcsea.bt).

#### Retakes

Candidates may retake paper 1 and paper 2 components as required.

#### Language

This syllabus and all assessment materials are available in English only.

### Accessibility and Equality

#### Syllabus and assessment design

- BCSEA aims to avoid discrimination and maximise inclusivity for all candidates, including those with special educational needs and disabilities (SEN), religion, gender, or other protected characteristics.
- Materials are designed to be accessible, using clear language and design principles.

#### Reasonable Adjustment

- BCSEA provides reasonable adjustments to minimise barriers for candidates with SEN, disability, temporary illness/injury.
- Adjustments should reflect a candidate's normal way of working. Approval must ensure that adjustments are reasonable, cost-effective, and do not compromise assessment integrity.

- For modified papers, the questions are not made easier; instead, the modifications make sure the content is accessible to candidates with specific needs without altering the standard or level of difficulty of the paper.
- Candidates unable to access all components may receive an award based on completed components.

### After the exam

#### Grading and reporting

- Grades A – E, with 'A' as highest and 'E' as lowest.
- A candidate is considered to have met the minimum passing standard if they achieve at least the level of performance consistent with Grade E.
- Ungraded: Candidates not meeting the lowest grade standard are reported as Ungraded (U).
- Grades are awarded based on set grade thresholds, which are established each year to maintain consistent standards of performance across examination sessions.
- Each candidate receives a Statement of Results and Pass Certificate issued by BCSEA.
- The Statement of Results reports a single overall grade (A–E) for the subject, derived from the combined performance in the coursework and Written Examination.

## 6. Grade Descriptors

Grade descriptors provide a general indication of the performance required at Grades A, C, and E. They are designed to help teachers and examiners understand the level of performance typical of each grade, and to support benchmarking of candidate work in Economics.

Criteria/Grade	A	C	E
Knowledge & understanding	Demonstrates <b>comprehensive</b> knowledge and clear understanding of economic concepts, theories, and terminology.	Demonstrates <b>reasonable</b> knowledge of economic concepts, theories, and terminology.	Demonstrates <b>limited</b> knowledge and understanding of economic concepts, theories, and terminology.
Application	<b>Consistently</b> applies economic concepts and models to a wide range of contexts.  Communicates outcomes using a wide range of economic tools.	<b>Reasonable</b> application to economic concepts and models to different contexts.  Communicates outcomes using a range of economic tools.	<b>Limited</b> application of economic concepts and models.  Communicates outcomes using limited economic tools.
Analysis	<b>Sound</b> analysis of causes, effects, and interrelationships between economic variables with depth and clarity.	<b>Reasonable</b> analysis of causes, effects, and relationships between variables.	<b>Limited</b> analysis of causes, effects, and relationships between variables.
Evaluation of Policies & Theories	<b>Sound</b> evaluation of strengths, weaknesses, and limitations of economic policies and theories; provides <b>informed and reasoned</b> conclusions which are <b>supported by evidence</b> .	<b>Some</b> evaluation of strengths, weaknesses, and limitations of economic policies and theories; provides conclusions which are <b>not fully supported by evidence</b> .	<b>Limited</b> evaluation; conclusions are <b>not supported by evidence</b> .

## 7. Command words

Command words are the words in assessment tasks that tell candidates what they need to do. Understanding these words is essential, as they guide the depth, detail, and type of response expected. BCSEA uses command words consistently across its syllabuses and assessments to ensure clarity and fairness.

Command word	What it means
Analyse	<ul style="list-style-type: none"><li>Examine in detail to show meaning, identify elements, and the relationship between them.</li></ul>
Assess	<ul style="list-style-type: none"><li>Make an informed judgement.</li></ul>
Calculate	<ul style="list-style-type: none"><li>work out from given facts, figures or information</li></ul>
Comment	<ul style="list-style-type: none"><li>give an informed opinion</li></ul>
Compare	<ul style="list-style-type: none"><li>identify/comment on similarities and/or differences</li></ul>
Define	<ul style="list-style-type: none"><li>give precise meaning</li></ul>
Describe	<ul style="list-style-type: none"><li>state the points of a topic / give characteristics and main features</li></ul>
Discuss	<ul style="list-style-type: none"><li>write about issue(s) or topic(s) in depth in a structured way</li></ul>
Evaluate/	<ul style="list-style-type: none"><li>judge or calculate the quality, importance, amount, or value of something</li></ul>
Explain	<ul style="list-style-type: none"><li>set out purposes or reasons / make the relationships between things clear / say why and/or how and support with relevant evidence</li></ul>
Identify	<ul style="list-style-type: none"><li>name/select/recognise</li></ul>
Justify	<ul style="list-style-type: none"><li>support a case with evidence/argument</li></ul>
Outline	<ul style="list-style-type: none"><li>set out the main points</li></ul>
State	<ul style="list-style-type: none"><li>express in clear terms</li></ul>