Economics
Know the method.

GRADE 12 • 2026 • DBE/CAPS

Free starter pack

3 worked methods • 3 practice questions • explained answers

Label axes and curves, identify the initial position, show the change and explain the economic mechanism. In evaluation, consider a benefit, a cost and the conditions that affect the result.

Use this pack actively

1. Choose a method from the clickable index. Try the worked question before reading its steps.

2. Complete Your turn, then follow its answer link. Correct your first error and retry without copying.

3. Mix methods and use complete official papers to practise unfamiliar contexts and time management.

Paper 1 is BLUE; Paper 2 is PURPLE. Written labels remain useful in grayscale.

Original practice, not reproduced or predicted DBE exam questions. The fuller pack supports the R99 offer. Editorial draft: independent subject-teacher moderation is still required. Selected core methods do not replace the full syllabus, practical preparation or PAT.

Question-method index

Click a method to open it. Each practice question links to its explained answer.

Paper 1

MR-ECO-01 | Leakages and injections • p. 4

MR-ECO-03 | Interpret cycle evidence • p. 5

Paper 2

MR-ECO-09 | Profit or loss at chosen output • p. 6

Back to method index

Your examination map

Paper 1 • 120 min • 150 marks

Macroeconomics and economic pursuits: circular flow, cycles, public sector, exchange markets, trade, growth and development.

Paper 2 • 120 min • 150 marks

Microeconomics and contemporary issues: market structures, market failure, inflation, tourism and environmental sustainability.

Plan time from the actual instructions

Paper 1: reserving 15 minutes leaves about 0.70 minutes per mark. Use this only as a planning guide.

Paper 2: reserving 15 minutes leaves about 0.70 minutes per mark. Use this only as a planning guide.

Practise the required short, structured and essay responses. Read the selection rules on the actual paper before choosing questions. Essay plans here are method demonstrations, not full-length model examination essays.

What still needs practice

Extend to full market-structure diagrams, detailed South African policies and indicators, trade protection arguments and complete structured essays.

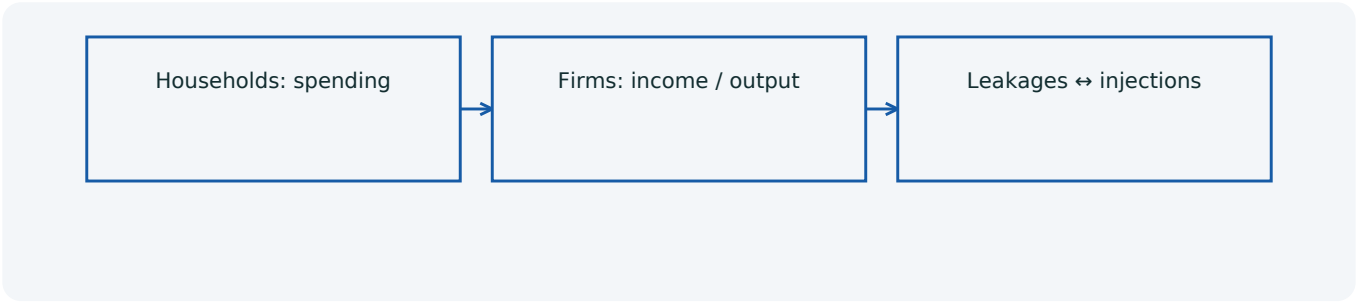
Back to method index

Leakages and injections

MR-ECO-01 • Compare funds leaving and entering the spending flow.

Worked question

In a simplified open economy, savings are 40, taxes 30 and imports 20 billion rand. Investment is 35, government spending 25 and exports 30 billion. Is the flow in equilibrium?



Original method sketch; schematic unless stated. Use the given values, not measurements from this image.

1. Leakages: 40 + 30 + 20 = R90 billion.

2. Injections: 35 + 25 + 30 = R90 billion.

3. They are equal, so the model is in equilibrium.

4. If injections exceed leakages, expenditure tends to expand until adjustment restores balance.

Check the reasoning

Keep the units consistent: all amounts are billions.

Avoid this mistake

Imports are a leakage; exports an injection.

Your turn

Savings 30, taxes 20, imports 10; investment 25, government spending 20, exports 25. Compare.

Click here for the explained practice answer.

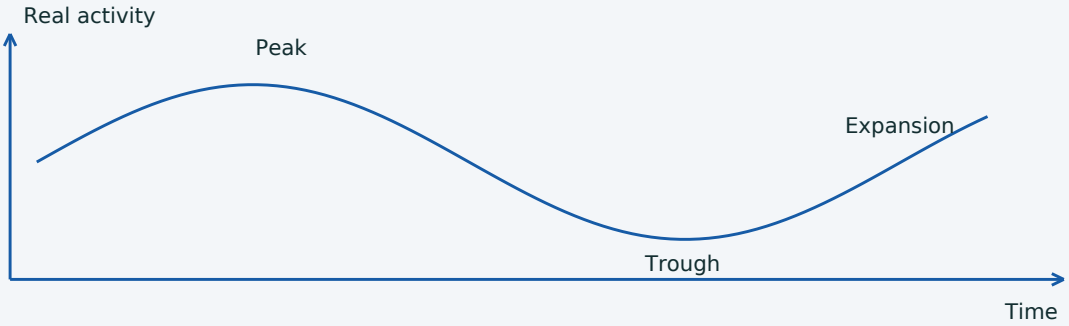
Back to method index

Interpret cycle evidence

MR-ECO-03 • Use several indicators to identify direction.

Worked question

Output, employment and retail sales rise for three quarters after a trough. Identify the phase and explain two likely business effects.



Original method sketch; schematic unless stated. Use the given values, not measurements from this image.

1. The evidence indicates recovery or expansion after the trough.

2. Rising demand can increase sales and capacity utilisation.

3. Employment may increase as firms require more labour.

4. The indicators support a phase judgement but do not fix the exact next turning point.

Check the reasoning

All three indicators point to improving activity.

Avoid this mistake

One strong month alone does not prove a lasting expansion.

Your turn

Output and employment fall after a peak. Identify the phase and one consequence.

Click here for the explained practice answer.

Profit or loss at chosen output

MR-ECO-09 • Compare price with average cost at the output where MC meets MR.

Worked question

At the profit-maximising output of 100 units, price and marginal revenue are R50, marginal cost R50 and average cost R42. Calculate economic profit.

1. Total revenue: $50 \times 100 = R5000$.

2. Total cost: $42 \times 100 = R4200$.

3. Economic profit: $5000 - 4200 = R800$.

4. Equivalently: $(50 - 42) \times 100 = R800$.

Check the reasoning

MC = MR locates the candidate output; price versus average cost determines profit.

Avoid this mistake

MC = MR does not mean zero profit.

Your turn

At chosen output 200 units, price R30 and average cost R34. Find profit or loss.

Click here for the explained practice answer.

Back to method index

Leakages and injections

MR-ECO-01 • Practice answer

Savings 30, taxes 20, imports 10; investment 25, government spending 20, exports 25. Compare.

Step-by-step answer

1. Leakages total 60.

2. Injections total 70.

3. Injections exceed leakages by 10; expansionary pressure in this model.

Make the correction useful

Explain your first missed step, correct it and repeat the task without copying. For practical tasks, inspect the saved result rather than only reading the solution.

Return to the worked method

Interpret cycle evidence

MR-ECO-03 • Practice answer

Output and employment fall after a peak. Identify the phase and one consequence.

Step-by-step answer

1. Contraction or downswing.

2. Lower demand may reduce investment and hiring.

3. Use the duration and breadth of the evidence before making stronger claims.

Make the correction useful

Explain your first missed step, correct it and repeat the task without copying. For practical tasks, inspect the saved result rather than only reading the solution.

Return to the worked method

Back to method index

Profit or loss at chosen output

MR-ECO-09 • Practice answer

At chosen output 200 units, price R30 and average cost R34. Find profit or loss.

Step-by-step answer

1. Revenue R6000; cost R6800.

2. Economic loss R800.

3. A shutdown decision also needs average variable cost information.

Make the correction useful

Explain your first missed step, correct it and repeat the task without copying. For practical tasks, inspect the saved result rather than only reading the solution.

Return to the worked method

Back to method index

Continue with official papers

Scope checked 9 October 2026. The source links support the assessment map; all worked and practice questions in this pack are newly authored.

Subject examination guideline

2026 ATP retention and CAT / IT update exceptions

2021 guideline extension through 2026

DBE annual teaching plans

DBE released 2026 papers and marking guidelines

Error log

Question ID: _____ Date: _____
First incorrect step: _____
Why it failed: _____
Correct method: _____
Retry date and result: _____

Use the matching memo, answer book and addenda for the actual paper. Questions here have no official mark allocation. Check explanations with your teacher before using these drafts as a sole revision source.

Back to method index