2026

(FYUGP)

(8th Semester)

ECONOMICS

(MAJOR)

Paper : EC8.CC21

(Advanced Macroeconomics)

Full Marks : 75

Pass Marks : 40%

Time : 3 hours

The figures in the margin indicate full marks for the questions.

Answer **one** question from each Unit.

UNIT—1

1. Discuss the meaning and components of social accounting with its importance. 2+8+5=15

2. Discuss the key components and determinants of behavioural model of money supply determination. 8+7=15

UNIT—2

3. Examine the Keynesian theory of interest as an improvement over the classical theory. 15

4. Critically discuss the IS-LM model in explaining the role of government's fiscal and monetary policy. 15

UNIT—3

5. Critically examine Kalecki's theory of investment, emphasizing the role of increasing risk and realized profits in shaping investment decision. 15

6. Explain the Mundell-Fleming open economy model under fixed and floating exchange rate system. 15

UNIT—4

7. Illustrate the short-run and long-run Phillips curve and explain how expectations influence the relationship between inflation and unemployment. 15

8. Explain the rational expectations hypothesis. Analyze how it differs from adaptive expectations. Discuss its implications for the effectiveness of economic policy. 15

UNIT—5

9. Explain Patinkin's real balance effect. How does this effect help integrate the monetary and real sectors of the economy? 15

10. Explain the efficient market hypothesis (EMH) and discuss its various forms. Evaluate the implications of EMH for investment decisions. 10+5=15

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