



QP CODE: 18103547

Reg No	:	***************************************
Name		

BA DEGREE (CBCS) EXAMINATION, NOVEMBER 2018

Third Semester

B.A Corporate Economics Model III

CORE COURSE - EC3CRT06 - MONETARY ECONOMICS - I

2017 Admission Onwards

BC04BC46

Maximum Marks: 80

Time: 3 Hours

Part A

Answer any **ten** questions.

Each question carries **2** marks.

- 1. What do you mean by dynamic functions of money?
- 2. What is the role of money in a centrally planned economy?
- 3. Mention the major advantages of paper currency.
- 4. Define decimalisation of Indian currency.
- 5. Who determines value of money?
- 6. What is the contribution of Alfred Marshall to quantity theory?
- 7. Define liquidity trap.
- 8. What is the formula of bank multiplier in the mechanistic model?
- 9. What is the relationship between money supply and price level?
- 10. What are the types of inflation on the basis of speed?
- 11. What is the meaning of cost push type of inflation?
- 12. Distinguish between stagflation and stagnation.

 $(10 \times 2 = 20)$

Part B

Answer any **six** questions.

Each question carries **5** marks.

- 13. Distinguish between full bodied and representaive full bodied money.
- 14. Explain Gresham's law.
- 15. What are the different systems of note issue?





- 16. Why do we assume the constancy of V and T in the Fisherian equation of exchange?
- 17. Briefly explain Fisher's equation of exchange.
- 18. Explain the constituents of money supply?
- 19. Analyse the major factors influencing money supply.
- 20. Explain the causes of inflation.
- 21. Examine the effects of inflations on the working class.

 $(6 \times 5 = 30)$

Part C

Answer any **two** questions.

Each question carries **15** marks.

- 22. What is the significance of money in India?
- 23. Examine the salient features of different economic systems.
- 24. Explain the evoluton of Indian currency system.
- 25. How do we attain equilibrium according to the behavioural model?

 $(2 \times 15 = 30)$

