



QP CODE: 21100682



Reg No :

Name :

B.A DEGREE (CBCS) EXAMINATION, MARCH 2021

Third Semester

B.A Corporate Economics Model III

Core Course - EC3CRT06 - MONETARY ECONOMICS - I

2017 Admission Onwards

C7AB4AA8

Time: 3 Hours

Max. Marks : 80

Part A

*Answer any **ten** questions.*

Each question carries 2 marks.

1. Distinguish between money and barter.
2. What is fiat money?
3. Distinguish between paper standard and metallic standard.
4. Define minimum reserve system.
5. What is the relevance of 'k' in Cambridge equation?
6. What is the significance of liquidity trap?
7. Why is Indian currency called vulnerable currency?
8. Define mechanistic model of money supply.
9. What do you mean by inflation?
10. Distinguish between cost push and demand pull inflation.
11. What are the monetary remedies of inflation?
12. What is the effect of inflation on farmers?

(10×2=20)

Part B

*Answer any **six** questions.*

Each question carries 5 marks.

13. Differentiate between static and dynamic functions of money.





14. Assess the role of money in capitalism.
15. Briefly explain monetary standards.
16. Examine the effects of demonitisation in 2016.
17. What are the assumptions of the quantity theory of money?
18. What is the contribution of Irving Fisher to the quantity theory of money?
19. Examine the salient features of behavioural model of money supply.
20. How can inflation be checked?
21. Analyse the effect of stagflation on Indian economy.

(6×5=30)

Part C

Answer any two questions.

Each question carries 15 marks.

22. Define demonetization. Examine the effects of demonetization in India.
23. Examine the significance of quantity theory of money.
24. Define price level. Distinguish between absolute price level and relative price level.
25. Define stagflation. Analyse the causes and effects of stagflation.

(2×15=30)

