

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600086
(For candidates admitted from the academic year 2019 – 2020)

SUBJECT CODE: 19EC/MC/MO44

B.A. DEGREE EXAMINATION, MAY 2021
BRANCH IV – ECONOMICS
END SEMESTER EXAMINATION

COURSE: MAJOR CORE
PAPER: MONETARY ECONOMICS
TIME: 1 ½ HOURS

MAX. MARKS: 50

SECTION – A

(5 x 2 = 10)

ANSWER ANY FIVE OUT OF SIX QUESTIONS IN 50 WORDS EACH

1. Define money.
2. Distinguish between ordinary money and high-powered money.
3. What are the two principles of note issue?
4. Differentiate between standard money and token money,
5. Define velocity of circulation of money.
6. List out the major determinants of demand for money.

SECTION – B

ANSWER ANY TWO OUT OF THREE QUESTIONS IN 400 WORDS (2 x 10 = 20)

7. Bad money drives good money out of circulation. Elucidate.
8. Critically examine Keynes liquidity preference theory.
9. Give a brief overview of the transactions approach to the Quantity Theory of Money

SECTION – C

ANSWER ANY ONE OUT OF TWO QUESTIONS IN 1000 WORDS (1 x 20 = 20)

10. Explain the automatic functioning and rules of the gold standard. What were the reasons for the collapse of the gold standard?
11. Explain the H-theory of money supply. What are the factors that bring about changes in the money supply?



