

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86
(For Candidates admitted during the academic year 2019 – 2020 and thereafter)

SUBJECT CODE: 19EC/PC/MO14

M.A. DEGREE EXAMINATION NOVEMBER 2022
BRANCH III – ECONOMICS
FIRST SEMESTER

COURSE : CORE

PAPER : MONETARY ECONOMICS

TIME : 3 HOURS

MAX.MARKS: 100

SECTION – A

I. Answer any FIVE Questions. Each answer should not exceed 300 words.

(5 X 8 = 40)

1. Describe the Neumann-Morgenstern's model of Expected utility hypothesis.
2. Fluctuations in public's demand for currency are a significant source of fluctuations in the money supply" – Explain.
3. Examine the relationship between monetary bases, money stock and exchange rate.
4. Describe the structure of Financial Sector in India.
5. State and explain the problem of lags in monetary policy.
6. Briefly explain Keynes Liquidity preference theory.
7. State and explain the variables determining Central Bank's autonomy.

SECTION – B

II. Answer Any THREE questions. Each answer should not exceed 1200 words.

(3 X 20 = 60)

8. Elucidate the contribution of Baumol and Tobin to the theory of demand for money.
9. Compare Mechanical theories with the Behavioural theory of Money supply.
10. Evaluate the monetary approach to Balance of Payment and Exchange Rate determination.
11. Bring out the essential features of money demand analysis of Gurley and Shaw. How is it an improvement over Keynes' liquidity preference theory?
12. Describe the role of monetary policy in a developing economy. Is monetary policy effective in curbing inflation? Why?
