

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 86
(For Candidates admitted during the academic year 2004 – 2005 and thereafter)

SUBJECT CODE: EC/MC/MO34

B.A. DEGREE EXAMINATION NOVEMBER 2008
BRANCH IV – ECONOMICS
THIRD SEMESTER

COURSE : MAJOR – CORE
PAPER : MONETARY ECONOMICS
TIME : 3 HOURS

MAX.MARKS : 100

SECTION – A

ANSWER ALL QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS.
(10 X 3 = 30)

1. What do you mean by money?
2. Define the term full bodied money.
3. What is double coincidence of wants?
4. What is multimetallism?
5. State Gresham's Law.
6. What do you mean by minimum reserve system?
7. What is liquidity trap?
8. State the components of monetary base.
9. What is Friedman's view on human wealth?
10. State Tobin's approach on risks.

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 300 WORDS
(5 X 6 = 30)

11. State Gurley and Shaw approach to the definition of money.
12. Discuss the stages in the evolution of money.
13. Bring out the features of gold coin standard.
14. Explain the difficulties of barter system.
15. Write a note on Indian currency system.
16. Discuss the Cambridge quantity theory of money.
17. Explain Tobin's portfolio balance approach to the theory of money.

SECTION – C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1200 WORDS **(2 X 20 = 40)**

18. Explain the functions of money.
19. Critically analyse the classical quantity theory of money.
20. Explain Keynes liquidity preference theory.
21. Discuss Friedman's restatement of quantity theory of money.
