

(FOR THE CANDIDATES ADMITTED

SUB CODE **22UEO509**

DURING THE ACADEMIC YEAR 2022 ONLY)

REG.NO. :

**N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI**

**END-OF-SEMESTER EXAMINATIONS : NOV-2024**

**BA-ECONOMICS**

**MAXIMUM MARKS: 50**

**SEMESTER V**

**TIME : 3 HOURS**

**PART - III**

**22UEO509– MONETARY ECONOMICS**

**SECTION – A**

**(10 X 1 = 10 MARKS)**

**ANSWER THE FOLLOWING QUESTIONS.(K1)**

1.What is the primary focus of Monetary Economics?

- a) Fiscal policy and government spending b) International trade and balance of payments  
c) Money, banking, and financial markets d) Economic growth and development

2.Which monetary standard uses both gold and silver to back currency?

- a) Monometallic standard                      b) Bimetallic standard  
c) Fiat standard                                      d) Gold standard

3Who argued that "money is a veil"?

- a) Adam Smith                      b) John Maynard Keynes  
c) Milton Friedman                      d) David Ricardo

4.What is the primary cause of trade cycles according to Keynesian economics?

- a) Monetary policy mistakes                      b) Overproduction and under consumption  
c) Technological changes                      d) External shocks

5.What is the primary role of banks in economic development?

- a) Providing loans for consumption b) Mobilizing savings for investment  
c) Facilitating international trade d) Regulating monetary policy

**ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES**

**(K2)**

6. What is Money

7. What do you mean by Gold Standard?

8. What is Index Number?

9. Define Inflation

10. Define Unit Banking

**SECTION – B**

**(5 X 3 = 15 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) List out the Significance of Money in a Modern Economy

**(OR)**

b) What are difficulties of Barter System

12. a) Explain Down Fall of the Gold Standard  
(OR)  
b) What are the Problems of Indian Currency System

13. a) What are the uses of index number  
(OR)  
b) Explain Keynes Income Theory.

14. a) Explain the Causes of inflation  
(OR)  
b) What are the consequence of Deflation

15. a) What are the Functions of Commercial Banks?  
(OR)  
b) List out the Objectives of Monetary Policy

**SECTION – C**

**(5 X 5 = 25 MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K4/K5)**

16. a) State and Explain the Primary Functions of Money.  
(OR)  
b) Explain the Circular Flow of Money.

17. a) What are the merits and demerits of Paper Currency Standard  
(OR)  
b) Explain the various Methods of Note Issue in India

18. a) Explain the Fisher's Quantity Theory of money  
(OR)  
b) Discuss Cambridge Version of Quantity Theory

19. a) Discuss the various types Inflation:  
(OR)  
b) How to Control Trade Cycle? Explain

20. a) Discuss the role of commercial banks in economic development  
(OR)  
b) Explain briefly the selective credit control instruments.

