 LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

 **M.A.** DEGREE EXAMINATION - **ECONOMICS**

THIRD SEMESTER – NOVEMBER 2012

# EC 3808 - MONETARY ECONOMICS

 Date : 01/11/2012 Dept. No. Max. : 100 Marks

 Time : 9:00 - 12:00

***Part-A***

***Answer any five questions: (5 x 4 = 20 marks)***

1. Briefly explain the different types of lags in monetary policy.

2. Explain the concept of liquidity.

3. Explain the concept of neutrality and non-neutrality of money.

4. State briefly any two goals of monetary policy.

5. What is liquidity trap?

6. Explain the transactions demand for money.

7. Explain demand-pull inflation.

***Part-B***

***Answer any four questions: (4 x 10 = 40 marks)***

8. Explain the types of time lag in monetary policy.

9. Write a note on Patinkin’s real balance effect.

10. Explain Gurley and Shaw’s views on liquidity.

11. Describe briefly Friedman’s restatement theory of money.

12. Distinguish between the Keynesian’s and the Monetarist’s views on money.

13. State the measures to control inflation.

14. Write a note on the non-neutrality of money in the Keynesian and the post Keynesian theories.

***Part-C***

***Answer any two questions: (2 x 20 = 40 marks)***

15. Give a detailed account of neutrality of money and the conditions for the neutrality of money in the classical and in the Keynesian system.

16. Explain the Keynesian and the monetary transmission mechanism of money.

17. Explain the different theories of inflation.

18. Critically explain the types and nature of lags in monetary policy.

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