

1211/BA5

MAY 2007

MONEY, BANKING, TRADE AND TRANSPORT

(For those who joined in July 2003 and after)

Time : Three hours

Maximum : 100 marks

SECTION A — (4 × 10 = 40 marks)

Answer any FOUR questions.

Answer not to exceed 1 page.

1. What are the functions of money?
2. What are the advantages of paper money?
3. What are the difference between Fisher's approach and cash balance approach?
4. What are the different kinds of credit?
5. What are the objectives of nationalisation?
6. What are the features of international trade?
7. What are the functions of foreign exchange market?
8. What are the kinds of ocean transport?

SECTION B — (3 × 20 = 60 marks)

Answer any THREE questions.

Answer not to exceed 3 pages.

9. Examine the value and significance of money in capitalist and socialist economics.
 10. Explain the nature and causes of inflation. How far can it be controlled by monetary policy?
 11. Indicate the importance of commercial banks.
 12. Examine the nature and functions of a central bank.
 13. Explain the difference between internal and international trade.
 14. Discuss the various stages of road development in India.
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