ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD
(Department of Economics)

Course: Monetary Economics (2708)   **Semester: Autumn, 2012**
Level: M. Phil Economics   **Total Marks: 100**
Credit Hours: 03   **Pass Marks: 50**

ASSIGNMENT No. 1
(Units: 1–4)

Q. 1 Explain in detail the process of evolution of money and payment system? **(20)**

Q. 2 Discuss Cagan's demand for money model for hyper inflation countries? **(20)**

Q. 3 Explain in details Asset pricing model of capital markets? **(20)**

Q. 4 Differentiate between Keynesian and monetarist views of demand for money? **(20)**

Q. 5 Discuss in detail the role of money in classical and Keynesian macroeconomic models? **(20)**

ASSIGNMENT No. 2
Total Marks: 100   **(Units: 5–9)**   **Pass Marks: 50**

Q. 1 Explain in detail the monetarist and structuralists views about inflation? **(20)**

Q. 2 What is monetary policy? Discuss current government experience in conduct of monetary policy? **(20)**

Q. 3 Explain diagrammatically the effectiveness of monetary policy under different exchange rate regimes? **(20)**

Q. 4 Explain the effects of financial crises of 2008-09 on the balance of payments of Pakistan? **(20)**

Q. 5 Write short notes on the following: **(10+10)**
  (a) Great depression of 1929-30
  (b) Long-run Phillips curve in case of rational expectations