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*Welcome*

*to*

*Money and Supply  
of Money*

*Meaning and Evaluation of Money =*  
*Exchange is a common activity of life.*  
*Hike has therefore defined economy as a*  
*system of mutual exchange. It means*  
*that we depend upon each other for the*  
*satisfaction of our wants. It is*  
*therefore defined as “a thing is*  
*generally accepted as a medium of*  
*exchange”.*

## *Definition of Money*

*In the word of Crowther, “Money can be anything that is generally accepted as a mean of exchange and at the same time acts as a measure and as a store of value”.*

# *Advantages of money*

- \* Importance of consumption*
- \* Importance in Production*
- \* freedom from Inconvenience of Barter*
- \* Basis of Credit*
- \* Capital Formation*
- \* Importance in trade*

# *Disadvantages of Money*

- \* Instability of Value*
- \* Trade Cycles*
- \* Over-Capitalisation*
- \* Economic Wastage*
- \* Unequal Distribution of Wealth*

# *Function of money*

*Prof. Kinley has classified the function of money into three categories :-*

*\* Primary or Main Function*

*\* Secondary or Subsidiary Function*

*\* Contigent Function*

*Thank you*

*For*

*Watching*