



**NATIONAL OPEN UNIVERSITY OF NIGERIA
DEPARTMENT OF ECONOMICS
FACULTY OF SOCIAL SCIENCES
2021_1 EXAMINATION**

COURSE TITLE: ADVANCED MONETARY ECONOMICS

COURSE CODE: ECO 717

UNITS: 2

TIME ALLOWED: 2 HOURS

INSTRUCTION: ANSWER ANY THREE (3) QUESTIONS.

1a. Explain the definition of money by the four main schools of thought.

(14 Marks)

1b. Write short notes on the following:

i) International Finance Corporation

(4.5 Marks)

ii) International Development Association

(4.5 Marks)

2a. Why is money desirable?

(10 Marks)

2b. Explain the Quantity theory of money.

(13 Marks)

3a. Why is monetary and fiscal policy coordination necessary in an economy?

(8 Marks)

3b. Explain the instruments of Fiscal policy?

(15 Marks)

4a. List and explain the policy framework that can be used in correcting BOP disequilibrium.

(13 Marks)

4b. What is balance of trade? How is it related to balance of payments?

(10 Marks)