



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
FACULTY OF SOCIAL SCIENCES  
DEPARTMENT OF ECONOMICS  
2020\_2 EXAMINATION**

**COURSE TITLE: MONEY AND BANKING**

**COURSE CODE: ECO 444**

**UNITS: 2**

**TIME ALLOWED: 2 HOURS**

**INSTRUCTION: ATTEMPT QUESTION ONE (1) AND ANY OTHER TWO (2) QUESTIONS**

- 1a. Define money according to the views of 5 economic schools of thought. **(10 marks)**
- b. Discuss the functions of money. **(15 marks)**
- c. What are the criticisms against Keynesian theory of money? **(5 marks)**
  
2. Discuss **five** of the six (6) C's banks consider before giving loans. **(20marks)**
  
3. Describe the factors that determine the structure of interest rate. **(20 marks)**
  
4. What are the importance of financial institutions to the development of a nation?  
**(20 marks)**
  
- 5a. What are the advantages of flexible exchange rate? **(10 marks)**
- 5b. Enumerate the diasadvantages of flexible exchange rate. **(10 marks)**