



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**FACULTY OF SOCIAL SCIENCES**  
**DEPARTMENT OF ECONOMICS**  
**2024\_2 EXAMINATION**

**COURSE TITLE:** MONEY AND BANKING  
**COURSE CODE:** ECO 444  
**CREDIT UNITS:** 2 UNITS  
**TIME ALLOWED:** 2 HOURS  
**INSTRUCTION:** ANSWER QUESTION ONE AND ANY OTHER TWO (2) QUESTIONS

**QUESTION ONE**

- 1a. What is money? (2 marks)  
1b. Discuss the role of money in an economy. (10 marks)  
1c. Describe 6 major factors that determine the structure of interest rate in an economy. (18 marks)

**QUESTION TWO**

- 2a. List and explain the 3 post-Keynesian approaches to demand for money. (12 marks)  
2b. What are the 4 main criticisms of the Friedman Milton theory of demand for money? (8 marks)

**QUESTION THREE**

- 3a. What do you understand by the term “bank”? (2 marks)  
3b. Describe 6 of the credit facilities available In Nigerian banks. (18 marks)

**QUESTION FOUR**

In their role of promoting economic growth, commercial banks are faced with many challenges. Clearly explain 5 of the challenges. (20 marks)