



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi-Abuja
Faculty of Management Sciences, Department of Financial Studies
2025_2 EXAMINATIONS

Course Code: BFN779

Credit Unit: 2.

Course Title: PUBLIC FINANCIAL MANAGEMENT

Time Allowed: 2 HOURS

Instructions:

- 1. Attempt Question 1 and any other two (2) Questions.**
- 2. Question 1 is compulsory and carries 30 marks while the other 2 Questions carry 20 marks each.**
- 3. Present all your points in a coherent and orderly manner.**

THEORY QUESTIONS

1a. Distinguish between the concept of Performance Based Budgeting and Zero-Based Budgeting approaches. **(13marks)**

1b. State four (4) key objectives of monetary policies in developing economies like Nigeria **(8marks)**

1c. Discuss three (3) the disadvantages of deficit Budget approach **(9marks)**

2. The debt burden is a major concern to Nigeria and Nigerians as the public debt figure has been growing in leaps and bounds. Discuss five (5) approaches to reduce the external debt in Nigeria. **(20marks)**

3a. Discuss five (5) functions of International Monetary Fund. **(10marks)**

3b. Discuss five objectives of World Bank. **(10marks)**

4. Discuss five (5) major fiscal policy tools used in Nigeria to achieve macroeconomic objectives **(20marks)**