



**NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2025_2 EXAMINATIONS**

COURSE TITLE: MONEY AND BANKING
COURSE CODE: ECO 444
UNITS: 2 UNITS
TIME ALLOWED: 2 HOURS

INSTRUCTION: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS

- 1a. Define Money (3 Marks)
- 1b. What do you understand by the Evolution of Money (3 Marks)
- 1c. List and explain 8 stages of the evolution of money (24 Marks)
- 2a. Explain the Cambridge or Cash Balance Approach stating the equation (10 Marks)
- 2b. Explain Irving Fisher's quantity theory of money with an equation (10 Marks).
- 3a. State the major Criticisms of the Keynesian Theory of Demand for Money (5 Marks)
- 3b. The Keynesians are a set of British economists who believe in the efficiency of fiscal policies as opposed to the use of monetary policies to control economic activities. Lord Keynes in his theory of demand for money suggested three motives, list and discuss. (15 Marks)
- 4a. Explain Williams Baumol Inventory Theoretic Approach (10 Marks).
- 4b. Explain James Tobin's e Risk Aversion theory of liquidity preference (10 Marks).