

**UNIVERSITY OF COLOMBO**

**FACULTY OF ARTS-DEPARTMENT OF ECONOMICS**

**Postgraduate Diploma in Economic Development (DED) – 2016**

**DED 503: Comparative Economic Development**

**Answer any Five (05) Questions only**

**All questions carry equal marks**

**Time Allowed: 03 Hours**

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1. The contribution of agriculture to economic growth and development is enormous as evident by the historical experience of developed and developing countries.

- i. What is the relationship between the performance of agricultural sector and national savings/investment in a country?
- ii. 'Agriculture provides wage goods to the economy'. How do you examine this statement?
- iii. What are the major weaknesses of the Sri Lankan Agriculture?

2. The factors that contributed to the rise and development of the capitalism changed over time and space.

- i. How do you examine the development of capitalism in the western world?
- ii. What were the major economic consequences of the rise of capitalism?
- iii. What are the long-term negative implications of capitalism?

3. Economic globalization is expanding substantially while creating new opportunities and challenges everywhere in the world.

- i. What are the major characteristics of the globalization?
- ii. What are the major economic implications of the globalization?
- iii. To what extent has the globalization affected the Sri Lankan economy?

4. Plantation agriculture is usually large scale, export oriented and profit centered undertaking.

- i. How do you identify the evolution of the plantation agriculture in Sri Lanka?
- ii. To what extent has the plantation crop culture affected the Sri Lankan economy during the post colonial period?
- iii. Why do you consider the coconut culture as an integral part of the domestic economy of Sri Lanka?

5. The sixty eight years since regaining the political independence; Sri Lanka has gone through a considerable socioeconomic transformation.

- i. What are the major economic achievements of the post independent Sri Lanka?
- ii. What are the major weaknesses of the center left economic policies during the post independent period?
- iii. To what extent have the welfare policies hindered sustained economic growth in Sri Lanka?

6. Even though there have been turbulent periods, the global economy has recorded significant improvement in the recent past.

- i. Briefly examine the above statement
- ii. What are the major weaknesses of the laissez-faire doctrine?
- iii. What were the policy initiatives taken to cushion the impact of economic crises during the post world war II?

7. 'Developing countries such as Sri Lanka are characterized by the existence of organized and unorganized money markets'.

Distinguish between these two market structures that exist in developing countries and discuss the effect of the existence of unorganized money markets on the operation of the financial system in these countries.

8. The emergence of development banking is a novel phenomenon in developing world.'

- (a) What distinguishes development banking from normal banking systems?
- (b) Development banks have a major role to play in conditions of financial repression. Do you agree?

9. (a) List and briefly discuss the seven market failures that according to Josef Stiglitz, justify a strong government role in developing world, financial sectors.

(b)What are the principal sources of government revenues in developing countries? Why are many taxes so difficult to collect? Discuss

10. Write detailed notes on any **three (03)** of the following.

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|-------------------------------|---------------------------|
| i. New Deal                   | ii. Industrial revolution |
| iii. Golden age of Capitalism | iv. Emerging economics    |
| v. Social safety nets         |                           |