

University of Colombo

Faculty of Arts

Special Degree Examination in Arts, Semester I, 2018

ECN 3176 Development Economics

Answer Four (04) Questions Only

Time Allowed: Two (02) Hours

1.

a) How do you define 'economic growth'?

(5 Marks)

b) What are the factors which might contribute for the output to grow in a developing country?

(5 Marks)

c) "Sri Lanka managed to sustain only 4.5 per cent of average economic growth during 1951-2017 period". What might be the possible reasons for the low level of average growth rate experienced by Sri Lanka during the said period?

(10 Marks)

d) "Economic growth could bypass the poorest in society". Do you agree with this statement?

Explain your answer.

(5 Marks)

2.

a) What do you mean by 'development'?

(5 Marks)

b) "Development is a multi-dimensional process involving changes in several factors". What are the possible factors need to be changed for a country to achieve development with a view to improving the quality of life of the citizens of a county?.

(7 Marks)

c) Explain the changes of definition for the economic development during 1950- 2015.

(8 Marks)

d) Briefly outline the Sri Lanka's development vision for 2030.

(5 Marks)

3. .
- a) Describe the main elements of Rostow's model of economic development. (7 Marks)
- b) The current stage of the economic development of Sri Lanka is best described as which of the stages of Rostow's model? Explain your answer. (5 Marks)
- c) "Savings and capital accumulation may be necessary for economic growth, but not a sufficient condition". Do you agree with this statement? Explain your answer. (5 Marks)
- d) Do you think that basic needs approach is comprehensive than income approach in maximizing the wellbeing of the people? Explain your answer (8 Marks)
4. .
- a) How do you define the concept of 'sustainable development'? (5 Marks)
- b) Explain the goals of sustainable development and illustrate necessary guiding principles to ensure sustainable development. (5 Marks)
- c) Do you think that GDP and GNP are not perfect indicators to measure the level of development of a country since the environmental aspects are not counted when GDP and GNP are measured. Explain your answer. (10 Marks)
- d) What is the difference between traditional decision making process and ecosystem-based decision making process in ensuring for a country to move towards sustainable development? (5 Marks)
5. .
- a) Explain the importance of agriculture sector to a developing country? (05 Marks)
- b) "Even though there are favorable structural changes in the agricultural sector in Sri Lanka, the country could not achieve self-sufficiency in agriculture production". Do you agree with this statement? Explain your answer. (05 Marks)
- c) Do you think that frequent industrial policy changes prevented Sri Lanka in experiencing rapid industrialization? Explain your answer. (07 Marks)
- d) Explain how can Sri Lanka emulate lessons from a country like South Korea to expedite the process of industrialization? (08 Marks)

- a) "Physical and social infrastructure facilities are unevenly spreaded in Sri Lanka" Do you think that regional development is vital to create equity and equality in the society? Explain your answer.

(08 Marks)

- b) What type of issues and challenges you observe in relation to regional development in Sri Lanka?

(07 Marks)

- c) What type of key strategies should Sri Lanka adopt to ensure regional development?

(05 Marks)

- d) Explain the contribution of provincial councils to the national development in Sri Lanka.

(05 Marks)

7.

- a) "Though Sri Lanka has been implementing several welfare programmes with a view to alleviating poverty, still the poverty is a persistent issue". Could you propose innovative measures to alleviate poverty in Sri Lanka?

(08 Marks)

- b) "Sri Lanka depends overwhelmingly on debt to meet her budgetary obligations". What are the development challenges connected with overwhelming debt?

(05 Marks)

- c) Do you think that both low level of tax ratio and the composition of taxation are well connected with the income inequality in Sri Lanka? Explain your answer.

(07 Marks)

- d) Propose measures to increase tax revenue as a percentage of GDP to ensure development process with less public debt burden in Sri Lanka.

(05 Marks)

8. Write short notes on any **four (04)** of the following.

- a) Harrod –Domer model and Dependency Theory.
- b) Millennium development goals and Sustainable development goals.
- c) Possible benefits from the proposed financial city in Colombo.
- d) Women in Development (WID) and Gender and Development (GAD).
- e) Frequent trade union actions and their impacts on the economy.
- f) Impacts of conflicts/war on economic development in Sri Lanka.

(6.25 Marks for each)