



University of Sri Jayewardenepura – Faculty of Humanities and Social Sciences

Bachelor of Arts Third Year First Semester Examination - July/August, 2017

Economics

ECON 3120.03 – Development Theory

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- Time: Three (03) hours
 - This paper consists as three (03) parts. provide the answer for **five (05)** questions only selecting given instructions under each part.
 - Clear hand writings should be considered.
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Part – I

[Answer only **one (01)** question]

1. Economic development is the aim of all economies.
 - i). Explain the need and the importance of economic development according to development economic analyses.
 - ii). What is measured by social development when measuring economic development?
 - iii). Explain the special transformation that happened in 70th decade according to the evolution of the development concept.
 - iv). Examine, with an example, the need of composite indices in measuring the economic development.

(05 marks each)

2. The economic development of less developed countries is used as the scope of development economics.
 - i). Briefly explain the common characteristics of less-developed countries.
 - ii). Explain using the Gini coefficient that the income inequality is one of the major issues faced by less developed countries.
 - iii). What is the speciality of less-developed countries according to the geographical distribution? Explain and give reasons.
 - iv). “According to some development indicators, less-developed countries falls into developed category” Do you agree with this statement? Explain.

(05 marks each)

Part – II

[Answer only **two (02)** questions]

3. Classical ideas of economic development have been central to the other ideas of economic development.

- i). Why is Adam Smith's ideas of economic development considered as 'one-sector theory'? Give reasons.
- ii). Explain the development requirements of a country under Ricardian ideas.
- iii). Critically analyze the relevance of classical ideas in the development process of less-developed countries.

(05 marks each)

4. Development theories are focused on various development requirements of a country.

- i). "Investment as a means of development of a country, should be translated to large scale production" Explain using an appropriate development model.
- ii). What is balanced growth in economic development?
- iii). "The acceleration of economic growth of a country is changed by external factors" Examine using the relevant development model.

(05 marks each)

5. Structural changes are common in the economic development process.

- i). "Labour migration in economic development process is taken place mainly due to profit investments of the enterprises" Do you agree? Explain with diagrams.
- ii). What are the factors of labour migration as pointed out by Todaro? Explain briefly.
- iii). What is the duality of an economy?

(05 marks each)

Part - III

[Answer only **two (02)** questions]

6. Modern ideas of economic development are more complicated.

i). Explain the role of foreign debt and aid in the development of a country.

(06 marks)

ii). Evaluate the external support in the development process of Sri Lanka after the independence.

(09 marks)

7. The present generation ought to conserve resources for the future generations.

i). What is meant by the above statement? What is the necessity of such a consideration? Explain.

(06 marks)

ii). "Sustainable development is highly focussed on the environment" Explain.

(09 marks)

8. Currently measuring the development has become more complex due to the complexity of sustaining the sustainability.

i). How do you distinguish between human development and sustainable human development?

(06 marks)

ii). "Sustainable human development could remain at a lower level even in the countries that have a higher human development" Explain with examples.

(09 marks)
