

THE OPEN UNIVERSITY OF SRI LANKA
DEPARTMENT OF SOCIAL STUDIES
BA DEGREE PROGRAMME IN SOCIAL SCIENCES – 2018/2019
FINAL EXAMINATION – LEVEL 4
DSU4631/ SSU2231- ECONOMY OF SRI LANKA



DURATION: THREE HOURS (03 HOURS) ONLY

Date: 05.01.2019

Time: 1.30 p.m. – 4.30 p.m.

Instructions:

➤ Answer any five (05) questions only. Each answer carries 20 marks.

1. (a) Define Export Oriented Industrialization (EOI).
(b) Analyze the policy reforms initiated under EOI strategy.
2. (a) What is monetary policy?
(b) Explain the monetary policy instruments of the government in the past and their implications on inflation.
3. (a) Define the labour force participation rate.
(b) Analyze the reasons for low level of female participation in the labour market in Sri Lanka.
4. (a) What is meant by a global financial crisis?
(b) Critically analyze the main problems encountered by a financial crisis.
5. (a) Describe the measurements used for the calculation of the income distribution.
(b) Explain the role of the state in poverty eradication in Sri Lanka.
6. (a) What are the advantages of Foreign Direct Investment (FDI) to a country?
(b) Critically analyze the challenges in attracting FDI in Sri Lanka.
7. (a) Explain different types of regional economic integration.
(b) Critically analyze the challenges in economic integration in the Sri Lankan context.
8. (a) Differentiate between Nominal and Real exchange rates.
(b) Analyze the impact of exchange rates on the economy with appropriate examples.
9. Write short notes on any two (02) of the following.
 - (a) Trade balance of Sri Lanka
 - (b) Import Substitution Industrialization strategy (ISI)
 - (c) Recent Infrastructure development in the Sri Lankan economy
 - (d) Impact of the Public debt in Sri Lankan economy