

THE OPEN UNIVERSITY OF SRI LANKA
DEPARTMENT OF SOCIAL STUDIES
BA DEGREE PROGRAMME IN SOCIAL SCIENCES – 2015/2016
FINAL EXAMINATION – LEVEL 4 (1ST SEMESTER)
SSU2231 – ECONOMY OF SRI LANKA



DURATION: THREE HOURS (03 HOURS)

Date: 01st November 2015

Time: 01.30 p.m. – 04.30 p.m.

Instructions:

- *Answer five (05) questions only.*
 - *All questions carry equal marks. Each question carries 20 marks.*
1. Discuss the different emphases given to social welfare policies and economic development policies by the successive governments in Sri Lanka after independence.
 2. (a) Define Import Substitution Industrialization (ISI)
(b) Examine the major challenges encountered during the implementation of Import Substitution Industrialization (ISI) Policy in Sri Lanka, before liberalization.
 3. (a) What is labour force participation rate?
(b) Critically analyze the major reasons for low level of female participation in the labour market in Sri Lanka.
 4. (a) Explain the measurements used for the calculation of the income distribution.
(b) Comment about the income distribution pattern among urban, rural and estate sectors in Sri Lanka.
 5. (a) Critically appraise the role of Small and Medium Enterprises (SME) in the national economy.
(b) Explain the contribution of Microfinance Projects in the poverty reduction process of Sri Lanka.

6. (a) Explain the nexus between infrastructure development and access to markets for goods and services.
- (b) Critically analyze Sri Lanka's experiences in the process of infrastructure development in the transport and power sectors.

7. (a) What is monetary policy?
- (b) Explain the monetary policy options of the governments in the recent past and their implications on inflation.

8. (a) Explain the role of domestic savings in the development of a country.
- (b) Examine the role of Foreign Direct Investment (FDI) for sustained economic growth in the country.

9. Write short notes on any **two (2)** of the following
 - i. Regional Economic Integration
 - ii. Public debt expenses in Sri Lanka
 - iii. Reducing poverty and income inequality
 - iv. Trade balance of Sri Lanka.

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