

THE OPEN UNIVERSITY OF SRI LANKA
 MA DEGREE IN DEVELOPMENT STUDIES AND PUBLIC POLICY (2018)
 MARGA-OUSL COLLABORATIVE PROGRAMME – LEVEL VII
 SSP1223- ECONOMICS FUNDAMENTALS OF DEVELOPMENT



FINAL EXAMINATION – 2019

DURATION: THREE (03) HOURS

Date: 13th January 2019

Time: 09.30 a.m. – 12.30 p.m.

Instructions:

Answer four (04) questions only. Each question carries 25 marks.

1. It is possible to have economic growth without economic development. Discuss this statement.
2. The middle-income trap is the situation in which a country's growth slows down after reaching middle income status. Discuss with reference to Sri Lanka's present context.
3. Markets do not necessarily produce a distribution of income that is regarded as socially fair or equitable. Discuss the distribution role of the government in a market economy.
4. Human capital is directly related to economic growth. The relationship can be measured by how much is invested into people's education. Discuss this statement.
5. Enhancing income levels of people in the different regions remain a key challenge in Sri Lanka. Explain how this can be achieved within the existing policy framework.
6. Discuss the key factors attributed to the poor performance of the government-run institutions in Sri Lanka.
7. Discuss the pros and cons of the new regional integration arrangements proposed by the government.
8. Write short notes on any four (4) of the following.

(a) Macroeconomic stability	(d) Economic crisis
(b) Trade Liberalization	(e) Inclusive economic growth
(c) Capital markets in developing countries	(f) Middle income country

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