UNIVERSITY OF KELANIYA – SRI LANKA

Centre for Distance and Continuing Education

Faculty of Commerce & Management Studies

Bachelor of Commerce (Special) Degree Fourth Year Examination (External) – 2022

July – 2025

BCOM E 4045 – Development Economics

No. of questions: Five (05)

Answer any four (04) questions. **Time: 03 hours**

Question No. 01

a) What are the basic values that people intend to achieve as the primary objectives of development economics? Explain briefly.

(05 marks)

b) Explain with , relevant examples , the current criteria a used to distinguish a developed economy from a developing economy.

(08 marks)

c) Discuss the potential for Sri Lanka to contribute to sustainable development by transforming from fossil fuels to renewable energy sources such as solar and wind. In your answer, explain how this shift support the achievement of specific sustainable development goals (SDG's)

(12 marks)

(Total marks 25)

Question No. 02

a) Briefly explain how technology influences growth theory.

(05 marks)

b) Explain Lewis's theory of development.

(08 marks)

c) "The private healthcare sector in Sri Lanka has expanded rapidly in recent years, offering a wide range of services to meet growing demand, especially in urban areas. However, this growth has also contributed to widening disparaties in access to healthcare,especially for lower-income populations.concerns about high service costs and inadequate regulatory oversight remain unresolved.

Using the Neo – classical counter -Revolution theory , discuss the potential impact of transforming Sri lanka's private healthcare sector into a fully deregulated,market – based system,and its effects on healthcare access affordability , and overall public health.

(12 marks)

(Total marks 25)

Question No. 03

a) What is the difference between absolute poverty and relative poverty, explain with some examples.

(05 marks)

b) Explain the concept of income inequality and its causes using relevant data.

(08 marks)

c) " Increased population growth places significant strain on available resources and the environment, leading to potential shortages, increased pollution, and ecological damage". Discuss this statement using Malthusian theory.

(12 marks)

(Total marks 25)

Question No. 04

a) Define urbanization and explain its causes and consequences in the context of a developing country.

(05 marks)

b) Analyze the prevailing trends in urban development, emphasizing the spatial and structural growth of urban areas rather than demographic changes.

(08 marks)

c) "Sri Lanka, as a middle-income country recovering from recent economic challenges, stands at a critical juncture in determining its industrial development strategy. The country has traditionally relied on tea exports, garments manufacturing, and tourism, but faces increasing pressure to modernize its economy through Industry 4.0 technologies". Discuss how industrialization can contribute to Sri Lanka's overall economic development.

(12 marks)

(Total marks 25)

Question No. 05

a) Explain the relationship between investments in health and education and how they contribute to long term economic development.

(05 marks)

b) Suggest possible policy options to improve Sri Lank's public education system in order to accelerate the country's – economic development.

(08 marks)

c) "Sri Lanka needs a consistent and comprehensive national policy framework to ensure sustainable economic growth, job creation, and poverty reduction. Effective governance and anti - corruption are crucial for the country's progress, and these must be supported by strong institutions such as the rule of law , property rights and good governance practices. Discuss this statement in detail , highlight the role of strong institutions in shaping natural development.

(12 marks)

(Total marks 25)