

Eastern University, Sri Lanka
Faculty of Commerce and Management
Final Year First Semester Examination in Bachelor of Commerce Honours/
Bachelor of Commerce in Business Economics-2021/2022
(January 2024)(Proper/ Repeat)
ECN 4133 Development Problem and Policies

Answer all questions

Time: 03 Hours

1.

- i. Is population growth and its uneven distribution associated with economic development? Explain. (07 Marks)
- ii. Briefly discuss the positive and negative economic impact of population growth. (07 Marks)
- iii. What are the policies countries across the world implement to maintain a potential level of population? (06 Marks)

(Total 20 Marks)

2.

- i. What is meant by foreign aid? List out the classifications of foreign aid. (06 Marks)
- ii. "Foreign aid given by the donor countries to the developing countries may have various motives" Do you agree? Explain (07 Marks)
- iii. Briefly explain how foreign aid can help for the development path of the developing countries. (07 Marks)

(Total 20 Marks)

3.

- i. How does Foreign Direct Investment help for the development? (06 Marks)
- ii. Briefly discuss the positive and negative impacts of foreign direct investment flows on the home and host country economies. (07 Marks)
- iii. Briefly explain the ways and means in which a developing country must be prepared to attract foreign direct investment. (07 Marks)

(Total 20 Marks)

4.

- i. Briefly discuss the benefits of inward international labour migration (06 Marks)
- ii. Define the meaning of corruption and explain its impact on economic development (07 Marks)
- iii. What is meant by Foreign Remittance? Are remittances always good for the economy? Discuss (07 Marks)

(Total 20 Marks)

5.

- i. State the nature of government debt, and list out the purpose of government borrowings from other sources. (06 Marks)
- ii. Briefly explain the methods of paying public debt. (05 Marks)
- iii. Write short notes on any three of the following (09 Marks)
 - 1) Policies to utilize foreign aid productively
 - 2) Policies to attract foreign remittances
 - 3) Policies to manage inward labour migration
 - 4) Policies to control corruption
 - 5) Policies to minimize income inequality

(Total 20 Marks)