

EASTERN UNIVERSITY, SRI LANKA

FACULTY OF COMMERCE AND MANAGEMENT

THIRD YEAR SECOND SEMESTER EXAMINATION IN B.COM 2015/2016

SPECIALIZATION IN BUSINESS ECONOMICS (July-2018) Proper

ECN 3103 - SRILANKAN ECONOMY

Answer All Questions

Time-03 Hours

1.
  - i. Briefly Explain the economic performance of Sri Lanka during the independence period.  
(05 Marks)
  - ii. Briefly explain the main reasons for the failure to fulfill its early promise of robust economic growth in Sri Lanka.  
(07 Marks)
  - iii. Briefly explain the export performance of the Sri Lankan economy in the post-war period.  
(08 Marks)

**(Total 20 marks)**
  
2.
  - i. What is meant by structural changes in an economy?  
(03 Marks)
  - ii. "Labour force participation in the Sri Lankan agriculture sector is continuously declining" Explain.  
(07 Marks)
  - iii. Briefly describe the significant changes of structural transformation in Sri Lanka.  
(10 Marks)

**(Total 20 marks)**
  
3.
  - i. Describe the importance and the policy challenges of agriculture sector in Sri Lanka.  
(10 Marks)
  - ii. Explain the advantages obtained by plantation sector due to the privatization in Sri Lanka.  
(10 Marks)

**(Total 20 marks)**

4. i. Indicate the necessary strategies which are expected to implement in the industrial sector in Sri Lanka. (06 Marks)
- ii. What are the measures taken in the industrial sector during the period of the first stage of the import substitution policy in Sri Lanka? (06 Marks)
- iii. "The trade liberalization has several positive impacts on the manufacturing industry" How does economic liberalization contribute to manufacturing industry? Explain. (08 Marks)

**(Total 20 marks)**

5. i. Distinguish between Direct taxation and Indirect taxation. (06 Marks)
- ii. According to Musgrave "direct taxes play an important role during the later stage of economic development" Explain. (06 Marks)
- iii. In the case of Sri Lanka, tax revenue has not been successful historically in raising much revenue and the tendency contradict with empirical evidence" Critically explain the major issues in taxation in Sri Lanka. (08 Marks)

**(Total 20 marks)**