

EASTERN UNIVERSITY, SRI LANKA

THIRD YEAR FIRST SEMSTER EXAMINATION IN AGRICULTURE – 2005/2006

AEC 3101: AGRICULTURAL DEVELOPMENT AND POLICY

Answer ALL Questions

Time allowed: 03 hours

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01. a) What do you understand by the term 'Development Gap'? How can it be measured?
- b) Briefly discuss the role of agricultural sector in Sri Lanka's economic development with reference to contribution to GNP and Foreign earnings.
02. a) Outline the social and economic implications of rapid population growth of a developing country.
- b) How does Capital accumulation help economic development?
- c) Discuss briefly the theory of 'Demographic Transition'. At which stage in this transition do most developing countries seem to be?
03. a) Explain briefly the "Balanced Growth Theory". Why does Rosenstein Rodan support a balanced growth or Big-push approach to development?
- b) Discuss technology transfer in developing countries.
- c) Briefly describe the 'Keynesian Growth Theory'.
04. Briefly discuss;
- a) Sources of credit availability to small farmers
- b) Importance of credit to small farmers
- c) 'New Comprehensive Rural Credit Scheme' (NCRCS) in Sri Lanka.

05. a) What kinds of risks do farmers face in agricultural production?
- b) Discuss methods that can be used by farmers to reduce risks in agricultural production.
- c) Describe briefly the role of insurance in agricultural development.

06. a) How could land reform helps to raise agricultural production?

b) Clearly explain about;

(i) Income Stabilization Policy

(ii) Forward Price Scheme

(iii) Deficiency Payment