

**EASTERN UNIVERSITY, SRI LANKA**  
**FACULTY OF COMMERCE & MANAGEMENT**

**FINAL YEAR 2<sup>ND</sup> SEMESTER EXAMINATION IN BBA / COM / ECONOMICS – 2007/06**  
**(NOVEMBER 2007)**

**ECN 4013 Economic Development and Planning**

Answer all questions.

Time : 03 hours

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01. (a) "Prior to the 1970s, development was always seen as an economic phenomenon". Explain. (04 marks)
- (b) What are the strengths and weaknesses of the above approach? (04 marks)
- (c) What are the three objectives of development that a society must have at least? (04 marks)
- (d) "Development has to be more concerned with enhancing the lives we lead and the freedoms we enjoy". Explain this statement in the light of Sen's capabilities approach. (08 marks)
02. (a) Identify some of the most important structural differences among developing countries. (12 marks)
- (b) Distinguish between size and functional distributions of income in a country. (08 marks)
03. (a) What are the main features of the "Take-off" stage? Explain its importance in the development of LDCs. (08 marks)
- (b) What is meant by absolute poverty? In what ways poverty lead to environmental degradation? (08 marks)
- (c) List out the Millennium Development Goals (04 marks)

04. (a) Explain some basic characteristics of economic planning.  
(08 marks)

(b) Explain and comment on some of the major arguments for planning in developing economies.  
(12 marks)

05. (a) "Most development plans are formulated and implemented in the mixed economies of the developing countries". Explain.  
(12 marks)

(b) "Unanticipated economic disturbances and institutional weaknesses are the main reasons for the plan failures in LDCs". Explain.  
(08 marks)

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