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**இலங்கை அபிவிருத்தி நிர்வாக நிறுவகம்**  
**SRI LANKA INSTITUTE OF DEVELOPMENT ADMINISTRATION**



**First Efficiency Bar Examination for Officers of Sri Lanka  
Administrative Service 2019(I)**

**Time: 03 hours**

**Economics and Sociology (03)**

**විභාග අංකය**  
**Index No / சுட்டுண்**

- Answer 4 questions selecting two questions from each section.

**Part (A)**

1. i. Explain the fundamental economic problems with examples that are common to all economies. (10 Marks)
  - ii. Identify the special parties that are involved in economic decision making and explain their role. (15 Marks)
2. i. Explain with examples what is meant by production cost. (10 Marks)
  - ii. Explain the long term normal cost curve and analyze the movement between economies of scale and diseconomies of scale. (15 Marks)
3. i. Explain the reasons for Demand for Money. (10 Marks)
  - ii. Given below is an extract from a press release issued by the Central Bank of Sri Lanka dated 31 August 2022.  
  
**“Headline inflation, as measured by the year-on-year change in the Colombo Consumer Price Index increased to 64.3% in August 2022 from 60.8% in July 2022.”**  
  
Classify inflation in terms of the speed of inflation rate. Analyze appropriate economic policies to control inflation in line with the Sri Lankan context explained in the above extract. (15 Marks)
4. According to one of the proposals of the “interim budget speech” for 2022, “The government is targeting a primary surplus more than 2 percent of GDP in 2025 and expects to improve upon this level thereafter”.  
  
Explain what is meant by Primary Surplus and analytically evaluate how fiscal policies should be managed to reach the above mentioned targets. (25 Marks)

### Part (B)

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|----|-----|---|------------|
| 1. | i.  | Explain the major social functions of the family.   | (12 Marks) |
|    | ii. | Discuss the social problems that emerge in fulfilling the above functions.  | (13 Marks) |
| 2. | i.  | Explain the basic characteristics of culture.   | (10 Marks) |
|    | ii. | Explain the conflicts of values that take place due to cultural changes in relation to Sri Lanka.                         | (15 Marks) |
| 3. | i.  | Explain the main features of bureaucratic system of organization.   | (10 Marks) |
|    | ii. | Describe the practical problems of bureaucratic system of organization in Sri Lanka in terms of the public sector.        | (15 Marks) |
| 4. | i.  | Explain the major characteristics of the “crisis situation” of modern human relations of Sri Lanka.                       | (12 Marks) |
|    | ii. | Explain the potential of converting human relations into a social capital by taking the traditional society as an example | (13 Marks) |

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