

Economics - ICom Part 2 Principles of Economics Chapter 12 Short Questions Preparation

Q1. What is essential to remove deficit int he balance of payment of Pakistan.
Ans 1: Increse in exports and decrease in imports.
Q2. Write teh method remove deficit in balance of payment of Pakistan.
Ans 1: 1- Exports should be increased 2- Imoports should be decreased 3- Domestic currency should be devalued 4- Expenditures on import of services should be reduced.
Ans 2: 5-Quality of exports shoul dbe improved.
Q3. Write causes of deficit in balance of payment of Pakistan.
Ans 1: Increase in imports, increase in the prices of imports, decrease in exports, export of primary goods, unfavourable terms of trade, increse in invisible imports, payment of foreign debt and interest, and oil bill etc.
Q4. Why does balance of payment of Pakistan remain deficit.
Ans 1: Value of exports of Pakistan remain less than the value of its imports, So, Pakistan's balance of payment remains deficit.
Q5. Write basic objectivers of economic cooperation organization.
Ans 1: 1- Development of transport and communciation infractructure.
Ans 2: 2- Facilitation of trade and investment
Ans 3: 3- Effective use of the vast energy resoruces.
Q6. From which countries does Pakistan import most of its goods.
Ans 1: USA, Japan, Kuwiat, SaudiArabia, Germany and U.K
Q7. Write about SAARC.

Ans 1: SAARC came into existence in 1983. The basic objective of this organisation is to extend mutual cooperation beween the

memebr countries. This organization consists of Eight members.

Ans 2: 1-Pakistan 2- Bangladesh 3- India 4- Sri Lanka 5- Nepal

Ans 3: 6-Bhutan 7- Maldives 8- Aghanistan

Q8. What step government has taken to search markets in foreign countries for Pakistan's goods.

Ans 1: Government has established export market development funds to search market in foreign countries for Pakistan's goods.

Q9. Which country is main buyer of Pakistani exports.

Ans 1: America

Q10. What are major exports of Pakistan.

Ans 1: Rice, cotton, cotton yarn, cotion cloth, carpets, sports goods, learter, sugical instrumetrs.