

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

Q1. What is essential to remove deficit in the balance of payment of Pakistan.

Ans 1: Increase in exports and decrease in imports.

Q2. What is economic cooperation organization.

Ans 1: Pakistan, Iran and Turkey made an agreement in July 1964. Purpose of this agreement was to promote mutual trade and remove the obstacles standing in the way of trade.

Q3. Which are major imports of Pakistan.

Ans 1: Petroleum and its products, machinery, chemicals, transport goods, edible oil, iron and steel, fertilizer, tea.

Q4. Which are main buyers of cotton yarn of Pakistan.

Ans 1: China, Japan, and Hong Kong

Q5. What steps has the government 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.

Q6. Which are main importers of Pakistani goods.

Ans 1: America, Germany, U.K, Hong Kong and U.A.E

Q7. Why does the balance of payment of Pakistan remain in deficit.

Ans 1: Value of exports of Pakistan remain less than the value of its imports, So, Pakistan's balance of payment remains in deficit.

Q8. 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, increase in invisible imports, payment of foreign debt and interest, and oil bill etc.

Q9. Which country is main buyer of Pakistani exports.

Ans 1: America

Q10. How many export processing zones has govt established to promote exports.

Ans 1: Government has established two export processing zones in Karachi and Lahore.
