

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

Q1. Write the method to remove deficit in balance of payment of Pakistan.

Ans 1: 1- Exports should be increased 2- Imports should be decreased
3- Domestic currency should be devalued
4- Expenditures on import of services should be reduced.

Ans 2: 5-Quality of exports should be improved.

Q2. What is essential to remove deficit in the balance of payment of Pakistan.

Ans 1: Increase in exports and decrease in imports.

Q3. Write about SAARC.

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

Q4. Which system of exchange is prevailing in Pakistan now a days.

Ans 1: Now a days floating exchange is prevailing in Pakistan.

Q5. How many export processing zones has govt established to promote exports.

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

Q6. What is exchange rate.

Ans 1: Exchange rate is the rate at which one country's currency is exchanged for another. In other words we can say that it is the price of one currency in terms of other currencies for example if exchange rate between dollar and rupee is Rs.80 = one dollar

Q7. Which are main buyers of cotton yarn of Pakistan.

Ans 1: China, Japan, and Hong Kong

Q8. From which countries does Pakistan import most of its goods.

Ans 1: USA, Japan, Kuwait, Saudi Arabia, Germany and U.K

Q9. Write basic objectives of economic cooperation organization.

Ans 1: 1- Development of transport and communication infrastructure.

Ans 2: 2- Facilitation of trade and investment

Ans 3: 3- Effective use of the vast energy resources.

Q10. 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.
