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Di - 12
Direquilibration in Balance of payment in developing Countries a rises owing to a large number of Causes an factors Operating simunteneously. Types of Disagnilibration Differ from Country to Country which may arise, Ather for a short period on for a long pariods.
agrices owing to a large number of causes as lecture
Operating Simundencously Types of Discavilibrium Dilla
al from Counday to Counday which may arise
asher for a short period on for a long periods.
Dalas de some (Gures producing disequilibrium in
Balance of boymend in Deucloping Gundares.
Tools Rd
Tacde Cycles
In employment , outbook and in conomic activities specially
I mploy mend , ovidoud and income, pairce, paofid etc. Cyclical
the de distant phones and amplitudes, differences
in employment, output and income, paice, proofit etc. Cyclical flucturation, thoir phones and amplitudes, differences in diferences and amplitudes, differences in diferences, generally produce (y clical disreguiti
IMIOM .
Hara Da A. II C
Huge Developmental and inventment programmes!
Hora do 1)
The development and investment programme in the dough
- ping conomies are on 1000 (cuses of the disaguili
The last of those Conditions
lode a) al civil or import goes on increasing for
man of copiet for stopied industriction while Expents
the by
those development and investment pagamme in the doods - ping economies are to nood course of the disaguili - brium in the before of pomend of those conditions Their propension to import goes on increasing for bedand of Capital for sighted industrialise thing while expents may not be bounded of to their extend on these in the primary producing bunchles.



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3)	Change Expond Demand
	Now moderaido e seportido a domestic par duction of facel stillo
	has decreased the goods, ex. in advanced foundates
	agrenien underdeveloped Countries. Thus, exposed demand
0	has Considerable Changed resulting in & double
	disequilibrium in those countres.
	Significant.
4)	Po pulodian Growth
	thigh population growth in boan Countries also had advented affected their belence of perment position. It is can to see that an increase in population increase the weed of these countries for imports and decreases the Capacity to expand.
	there a la introcose in population introcese the weed
	Class de countries for imports and de oreases the
	COBCITAL 40 GA DOUZ.
-)	
5)	Change in National In Come +
	Another Couses in the Change in the Quadry's Nederla Interne.
	If the Notional income of a Country in Creanes, It will led
	to an increase in Imposto chareby Creating a deficial
	some . If the Gounday is alread, at full employment
	Some of the toundry in alread, at full employmend



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Pixe in parke which may horase its imports and thus boing disequilbrium in the BOP.

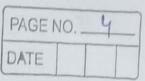
E) Parce Change:

In flotion of deflotion is another cause of disequilbrium in the belonce of paymend. If there is inflotion in the Country, price of expents increase. As a Besuld, expents fall. By the same time, the doment for Imports in Crease. Thus, increase is expend prices reading to decline in expends and Tise in impand result in advance belonce of log mand.

7) Political Conditions:

Political Condition of a Counday is another cause of disagnification in Dop. Political in stebility in a Counday. Greates uncertainty among foreign investors which leads to the notified of Copital and statutes the Inflow. This causes the again brium in Bot of the country, Disagnificant Bot as occurs in the cient of was on fear of was with some other caunday.

Mar



There is a greed soloworce of Expord promotion and Imposed Rubardidation. In Condolling the deficed in the Belonce of payment. Expond promodion: - D Country may boosed its exposite by neducing on abolishing export Duties providing expond Duties providing expond promotion and markeding shrough monetary, fracel intidutional end physical incentives and facilities. For example: - Government of India of Jers liberial looms and other facilities to expond - entented units. It has been sed up expend processing . 20 nes-Janpond . Condnot !- Impond are Condnotted by imposing impost rensing and prohibiting altogether the impost

of Contern non-larented theme. Impond policy (Impond avodes). Under this machenism, the government fixes a meximum quentity on volve of a Commodisty to be in pented. This is then neduces and the



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	deficis so neduced and though the Bolonce of bymand,
	the bookhar to have the
	the perstions to improved. This measure has the
	Immediate effect of thecking impant as the
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	once and quote timed 12 neoched. To
	In In I I'm head area
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	The good has the simple of less of
	insports. as the marriad property to
	Impand po long leso, and the auster - touched is
	neached. Thus, the effect of quotes on quantities
	neached. Thus, the effect of quotes an quentitative ne shire is explicit.
	Massias is explicit.