

- 30** Policies to correct a balance of payments deficit fall into two categories: expenditure-dampening policies and expenditure-switching policies.

Which pair of policies in the table are classified correctly?

	expenditure-dampening policy	expenditure-switching policy
<b>A</b>	an increase in the rate of income tax	the imposition of import quotas
<b>B</b>	an increase in the rate of value added tax	an increase in the rate of income tax
<b>C</b>	devaluation of the currency	an increase in the rate of value added tax
<b>D</b>	the imposition of import quotas	devaluation of the currency