**Economics 4.1.8a**

|  |  |
| --- | --- |
| Using a diagram, explain how the government might attempt to reduce the value of a currency | Explain (using diagrams) what the impact of this would be on export revenue if a) demand for exports is elastic b) demand for exports in inelastic |
| Explain how the Marshall Lerner Criterion works and how it might influence governments wishing to increase export revenue | Explain what is meant by competitive devaluation and how the J-Curve shows the impact of this on the balance of payments |