

TOPIC: WHY ARE COMMODITY PRICES SURGING?

WORD LIMIT: 500 WORDS

FORMAT: Newspaper 'op-ed' (opinion-editorial) article

You are expected to write a short essay of approximately 500 words.

REFERENCES: Two or three maximum

It will be a commentary piece akin to a newspaper 'op-ed' (opinion-editorial) article in which you explain a key issue or topic in IPE in a way that a broad audience would understand it and you try to persuade the reader to accept your point of view. If you are not familiar with op-eds, look at The Economist or Sydney Morning Herald.

Your piece should be driven by one big question, clearly analysed in non-technical language, providing an opinion with your take on the issue, and relevant to contemporary issues in international political economy.

Unlike an academic essay it does not need multiple references, or indeed any references. You can refer to, or hyperlink, another article if you wish, but a reader must be able to follow your argument without referring to these.

SAMPLE ESSAY RELATED TO TOPIC FROM ECONOMIST:

Why commodity prices are surging

The strong performance of the global economy finally has an impact

The strong performance of the world's economy is finally filtering into commodity prices. Last year will probably turn out to have been the first year since 2010 in which growth accelerated in each of America, Europe, China and Japan. And Brent crude oil, copper and a Bloomberg composite index of spot prices for 22 raw materials are all at their highest levels since November 2014. But if global demand has been picking up for several quarters, why has it taken this long to become evident in commodity prices? And more importantly, how sustainable is the rally?

The delay in the price increases is the easiest part to explain. Years of strong production of oil, base metals and grains left the global economy with huge surpluses. Stockpiles of oil reached a record high in November 2015, according to the International Energy Agency. OPEC, the oil cartel, agreed to restrain production to drain the surpluses and eventually put prices under upward pressure. China also applied the same principle to certain sectors. In 2016 it cut the number of working days for coal miners from 330 to 276 and cut its steel output by 65m tonnes. These measures appeared to have little effect at first, but now that strong demand has eaten into those reserves, prices are rising.