

# Outlining an ia for ib economics

[Economics](#)



**ASSIGN  
BUSTER**

I will be only talking about the first part of the article " China commodity imports soar despite high costs" Identify economic concepts (vocabulary words) that explain content of article Demand for oil and copper Purchases of other commodities imports of wrought materials raise retail fuel prices China's crude imports will remain high in the upcoming months as oil firms still have a strong incentive to produce raise crude throughput to a new peak this month to meet rising domestic fuel demand trade deficit in March

List corresponding diagrams to illustrate these concepts Demand and supply Import demand vs. Export supply Rationing vs. incentive Price floor & price ceilings J curve Identify further economic issues that could be relevant to the story Surpluses & Shortages Scarcity Rationing Price floors What do you think about what is happening? Good or bad for consumers? In the long run? What is happening right now might be seen as a positive situation for the consumers. They are creating a large demand for fuel and the price hasn't increase yet so they are taking advantage of the lower prices they are getting.

However, in the long run this is not going to be very beneficial for the consumers due that they might be near to face a scarcity and the retail prices are going to increase which will then lead too rationing of goods.

Outline Main idea (1 50 words) What is the article about? High demand for crude oil which leads to a high increase in imports (4. 95 million barrels per day) Not only oil but as well: alumina, iron ore, steel, and rubber Possibility of raising retail price Fuel supply is increasing to meet the demand level Went from being an importer to being an exporter

What economic concepts can help explain what is going on? Elasticity  
Commodities vs. necessities Economic costs Diagram (0 words) Use a full  
title such as " Diagram 1: The Market for Apples in Singapore" Label all of  
your lines ByMarijuana's and label areas of the diagram if appropriate  
Indicate exact prices and quantities with labels  $PQ$ ,  $SQ$ , etc. Explain Diagram  
(200 words) Explain how the concepts listed in part 1 work with reference to  
the diagram. Be thorough!

Demand and supply: The leftward shift of the supply curve means that for  
any given price, less is supplied. This creates excess demand at the original  
equilibrium price, which puts upward pressure on price. Producers receive  
the signal to increase their prices and they do. Import demand vs. Export  
supply (0 curve) Rationing vs. incentive: Price floor & price ceilings: Mention  
specific points and lines in the diagram Analyze beyond the diagram (100  
words) How might what is happening in the diagram not fully explain the  
article?

In first place the article touches upon the demand of oil but never leads to  
what happens with the supply and we need to take into account what  
happens with both because they are part of the same graph. Then it doesn't  
go further to what happens when a price floor is implemented (when the  
article says " retail prices might increase") so therefore the graph will explain  
further what happens with both sides (consumer and producer) in a situation  
like this.

The J curve will be necessary because this goes further into explaining how  
china became an exporter when it was an importer and gives Are there are

other parts of economic theory that could augment your explanation? Does the article fully match what theory would predict? Evaluate a solution (300 words): pick one or two issues on which you can provide an opinion supported by evidence (use quotations/references). Evaluate the solution mentioned in the article (I. E. , a policy response) or suggest one What are the limits of the theory?

What are the arguments for or against the solution proposed? Did the person make a good decision? What predictions can you make about long run outcomes? What is the impact on different stakeholders? Can you consider another point of view? What are the pros and cons of this issue? What are the short and long-term implications? Weigh the costs and benefits of an action or policy. China commodity imports soar despite high costs  
Throughout this essay we are going to analyze the first part of the article "China Commodity Imports Soar Despite High Costs".

The article starts by describing the current situation in China regarding crude oil prices and other non-worked materials. We are able to analyze that there is a high demand for crude oil (and alumina, iron ore, steel, rubber) that has just reached the 4.95 million barrels per day. This high demand is due to the low prices that China is offering the fuel for and a possibility of easing the retail price is closer due to the impossibility to satisfy the demand with price changes the demand will also change.

However, thanks to this increase in demand, China went from being an importer to the point in which was able to become an exporter. Article: China commodity imports soar despite high costs Main idea: what are the main

economic concepts at work? Diagram: what diagram(s) can be used to explain these concepts? Explain the diagram: how does diagram depict what is happening the article? Analyze: what other economic concepts are at work Evaluate: consider a solution/response