



# Final Presentation



# Hengchen Liu (Tim)

interests:Econ,AI,Biology

Liu Hengchen is a freshman in Duke Kunshan University. Because of the average scores in all subjects in senior high school, he does not know what fields he is good at, so he does not know the specific direction in the future. So he wants to explore multiple areas and discover his interest before further learning. And he used to talk with his uncle who was a businessman, he told Liu that Liu could communicate with many strangers and this field could make a big difference in people's abilities by talking to some high-level people. That is one of the reasons why he chooses this course.

He wants to learn the basic theory of economics, the cultivation of economic thinking, and in the future life to practice the application of the content learned. At the same time, he hopes to improve his ability in all aspects.

Meanwhile, he is a people person, so you can chat with him online whenever and wherever possible. And he comes from Jinan, Shandong, it is a beautiful city of springs, lakes and mountains. So if you have spare time on holiday, you can travel to Jinan. Hope you all have a happy college life.

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# The cost of something is what you give up to get it



hengchen liu

In my opinion, I think it means if you want to get something you want, you should make some decisions and select what things you will keep or something you should give up. And we all know that economics is about money and transactions, so that means you should use your own things to exchange someone's things. In part, the things you gave is your cost. Therefore, if you do not give up something, you will be not to get things, "There is no such thing as a free lunch", the costs and profits come from the transactions. For example, we can see some news about the NBA or some soccer leagues, they usually exchange their basketball and soccer players to improve their teams' quality. And as a coach or chairman, they should decide whether they use the cash to trade it or use the players. Meanwhile, they can also choose to use the young players who are on behalf of the team's future to exchange the all-star players. So if I were the chairman, I will balance the team's present and future. So this example showing us the cost is the money or the team's future, and the payoff might be the final champion this year or next year. But we assume that this season do not get good grades, besides, you have paid a huge price during the trading period. As a result, you get nothing you want, you will become





# How Market Works

Round Table Conversations



Author:Hengchen (Tim) Liu  
Contributor 1: Yutong (Danah) Quan  
Contributor 2: Jianing (Catherine) Tian  
Contributor 3: Yuxi (Trudy) Jiang  
Contributor 4: Yuming (Lisa) Gong



# Summary

## Background:

- With the development of the internet, the food delivery industry gradually becomes one of the most popular trades. However, COVID-19 broke out all over the world. In this case, the service industry, including the takeout industry, has been impacted to varying degrees. But under the guidance of the government, this industry is gradually recovering. And as the control of the virus, demand becomes larger and larger and supply begins to return to normal. To encourage people to buy their food online, food was cheaper than a few months ago, so the quantities of orders are increasing sharply. This experience tells us if an industry wants to become better and better, it will meet many different challenges.
- Besides, it should overcome them and finds a good way to maintain the trend of increasing.

## Research questions:

1. What's the outside shock in this case?
2. How do supply and demand change in this case?
3. How does the outside shock influence the supply and demand of the commodity in this case?
4. Analyze the equilibrium price and quantity change.

# Conversations: Outside Shock



Jiang : Because the COVID-19 broke out in some places where had high population density, the government banned people to walk on the street, besides, the food delivery industry was banned either.

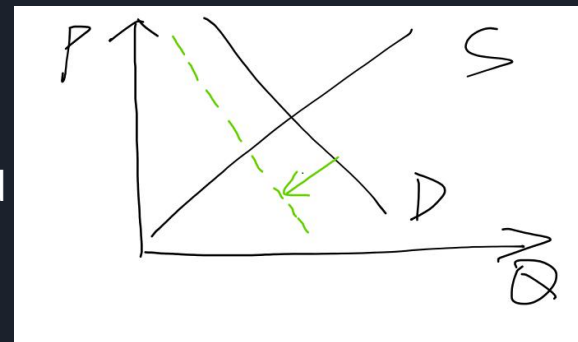


Quan : I agree. And the outbreak of the epidemic made it impossible for many takeout people to go out to deliver.



Tian : Yes. But many new delivery methods would appear, during the epidemic, we could use robots to send goods or food. So that would make a good difference to the delivery industry.

- In my opinion, consumers are afraid of infecting the virus, such as we can see much news which tells us virus can spread through the exchange of goods, that may become the reason why people do not want to buy food online.



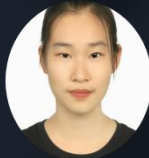
# Conversations: Supply and Demand Change



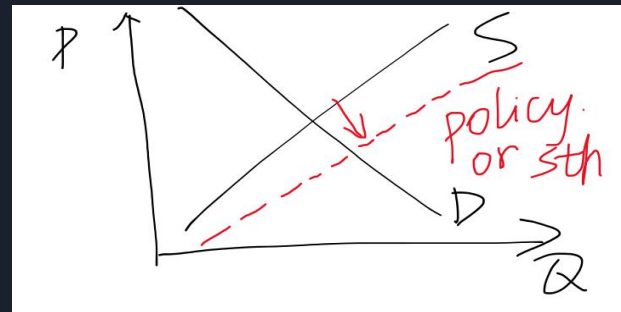
Under this serious situation, Gong said: “ I believe that under the socialist market economy, the market can carry out its own macro-control.” So supply and demand will become a reasonable quantity in this period.”



Quan :Yes, but I think people can't go out at home, so the demand for the outside will certainly increase, and the supply will also increase.



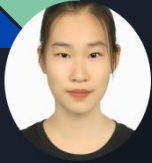
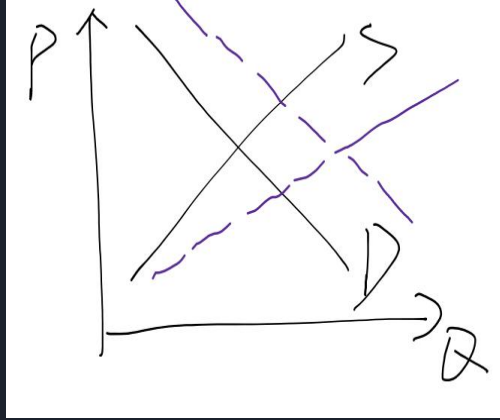
Tian pointed out a different opinion, “Area is one of the most important things. If you are living in a low rise area, the quantities of orders will increase. However, if you are living in a high rise area, the supply and the demand will both decrease.”



Overall, I believe the growth and decrease of supply and demand are affected by many factors, like government policy, market regulation, or areas. In the future, as the development of the internet or this industry, I consider that the demand and the supply will experience a sustained increasing.



# Conversations: Equilibrium Price and Quantity Change

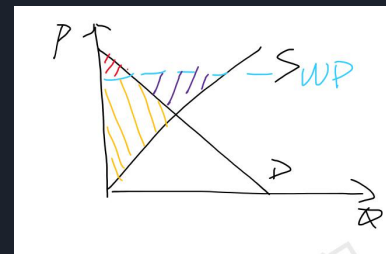
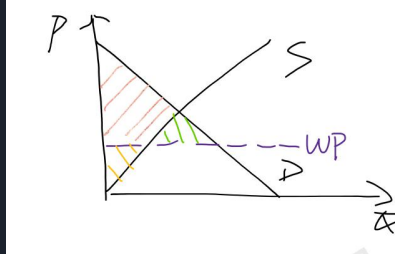
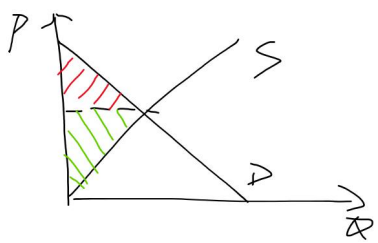


Tian considered : “ The price of takeout will decrease recently because of the epidemic. But in the future, with the rapid development of the takeout industry, the price may rise and the quantity will be greatly increased, and with the development of science and technology, new delivery methods will further increase the quantity.”



Jiang : “Cool! I think during the outbreak, the quantities of orders are less than usual, and if shores want to sell their food out, they should decrease their price. But after the COVID-19 period, both the price and the numbers of food delivery will rise.”

In my submission, the merchant will definitely give discounts to get more people to buy his food. Many people think the food delivery industry will have a good chance to become better, so the price and the numbers must more than today. However, we should avoid vicious competition and blind conformity under the sudden rise of the industry. For example, after a mobile bike enters the market, they are many people who want to get rich with the trend. As a result, many people go bankrupt



- In the first picture, the red part is consumer surplus, and the green part is producer surplus. If the world price is lower than the domestic price. In the second picture, the consumer surplus is green and orange, and the green part and part of orange which are under the point of intersection added, while the producer surplus turns yellow. If the world price is higher than the domestic price, as shown in the third picture, the consumer surplus turns red. The purple and yellow parts are producer surplus, and purple and part yellow which are above the point of intersection added.



刘恒辰

昆山杜克大学学生

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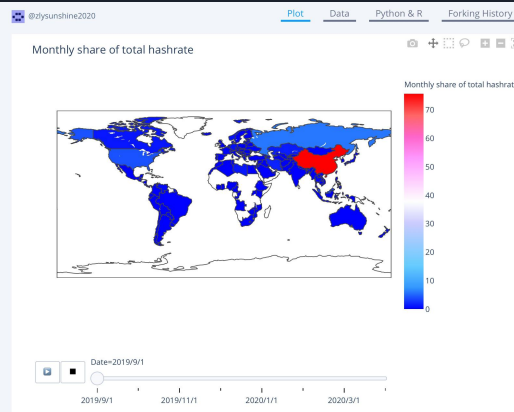
In Luyao's class, I learned an economic concept, named Hashrate. The Hashrate is a measurement of the processing power of bitcoin networks. In order to be safe, the bitcoin network must carry out high-intensity mathematical operations. In this chart, from 2019 to 2020, the monthly share of the total Hashrate in China has been very high, rising from 63% to 73%. The proportion of this Hashrate in China is getting higher and higher from Sep. to Dec. 2019. But from January to March 2020, the ratio will gradually decrease. China should maintain this situation and keep the development of the Internet. But they also should pay attention to the price change on bitcoin. And the government should control it, too, preventing it from being too popular, damaging the existing economic structure and the trend of economic development, leading to malicious economic competition. We can learn that before we invest or consume, we need to estimate and judge according to the data analysis, and pay attention to the existing problems in order to make a better decision. So this lesson helped me become a better economist.

Monthly share of total hashrate | choropleth made by Zlysunshine2020 | plotly

chart-studio.plotly.com

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- [https://www.linkedin.com/posts/%E6%81%92%E8%BE%B0-%E5%88%98-807b211b7\\_monthly-share-of-total-hashrate-choropleth-activity-6715719273551147008-CXLS](https://www.linkedin.com/posts/%E6%81%92%E8%BE%B0-%E5%88%98-807b211b7_monthly-share-of-total-hashrate-choropleth-activity-6715719273551147008-CXLS)



# Reflections on economics course

- First of all, I think I have learned a lot of basic theories of economics in this class, and I have the ability to analyze different economic related charts, laying a foundation for further study of economics in the future. Moreover, with the development of artificial intelligence, a lot of analysis of economics has changed from human to artificial intelligence. As an economist, he should master the things beyond artificial intelligence. For the future decision-making, as an economist, we should combine the data and the auxiliary analysis of artificial intelligence, and make comprehensive decisions according to the actual situation and our own practical experience. Future decision-making must be a complex process, but don't let the data and external influence confuse the decision-making. We should trust our own experience, conduct careful analysis, and finally come to a comprehensive decision.



# Future Economist Perspective

The economy is a popular major, so becoming an economist can make you have better development, and will still have a good process in the future. Not only for individuals, but the economy can also reflect the development of a society or even the strength of a country. Therefore, becoming an economist can contribute to society and the economic development of the country, so as to make the society and the country benefit.

For the Nobel Prize, more is the hope or the pursuit of a lifetime. If I am lucky enough to win the Nobel Prize, I think I will write it in my own comments: Liu, he is an economist, his new theory stimulated the development of global economics. However, his contribution did not just in the economic field, he also used it to help some people who were in trouble in their life and promoted the development of other fields. Meanwhile, it facilitated the process of the whole country and the whole world.