



Final Presentation

Yutong (Danah) Quan

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Interested in Economics, Psychology, Literature

Yutong (Danah) Quan is a freshman at Duke Kunshan University. She has great interests in economics, psychology, and literature. Although she does not have a major now, she will try her best in this course. She believes this course will develop her abilities in researching, thinking, and analyzing. Furthermore, if there is an opportunity, she would like to make an effort in interdisciplinary subjects related to economics, psychology, and literature.

Travel is one of the most important things in her life, she loves to enjoy the beautiful sights and diverse cultures all over the world. And she tends to be a messenger between different cultures on her journey.

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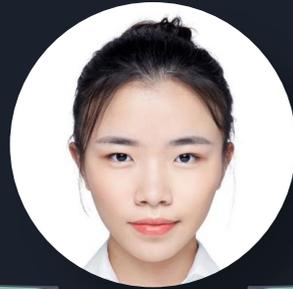
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Problem Set 1

Elaborate Economic Principles in Real Life

“There ain’t no such thing as a free lunch”



Yutong Quan

“There ain’t no such thing as a free lunch” means that we usually have to give up something else that we like to get something that we also like. Take this into account promotes me to make a balance between two things I like.

For example, if I want to be more beautiful, I can choose to do cosmetic surgery. If the cosmetic surgery is a “free lunch” except payment, I will lose nothing to become more beautiful. However, it is not such a “free lunch”. It will damage my health and even lead to some medical accidents. And I will also make a bad impression on those people who do not agree with doing cosmetic surgery. Therefore, I will not think about cosmetic surgery anymore though both health and beauty are the things I like.

Problem Set 2

How Market Works

Round Table Conversations



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



Summary

According to *China Daily*, the trade volume of the takeout food industry increased by 2.42 times from 2015 to 2019, which means the takeout industry in China has developed in recent years. However in the spring of 2020, due to the unexpected COVID-19, the catering industry struggled a lot as they were not allowed to do business under the government's policy, the takeout industry was facing some challenges as well. Therefore, changes in supply and demand during the epidemic affected the development of the takeout food industry.

According to *Special research report on the Chinese catering and food delivery market during the 2020 epidemic* (iiMedia Research, 2020.04.12), 95% of the catering enterprises who were interviewed said that the revenue of their stores declined significantly during the epidemic period. So most of the enterprises choose to move online and develop takeout food service with the help of food delivery platforms. About 70% of the enterprises will continue to stay in the takeout platform and increase the investment of takeout business after the epidemic is free.

Knowing this situation of the food delivery industry, our group is going to discuss the changes and developments of the food delivery industry during the epidemic period. And I will focus on the supply and demand change and its reasons.

Research questions:

- Outside shock
- Demand or Supply Change
- Equilibrium Price and Quantity Change
- The Future of Food Delivery Industry



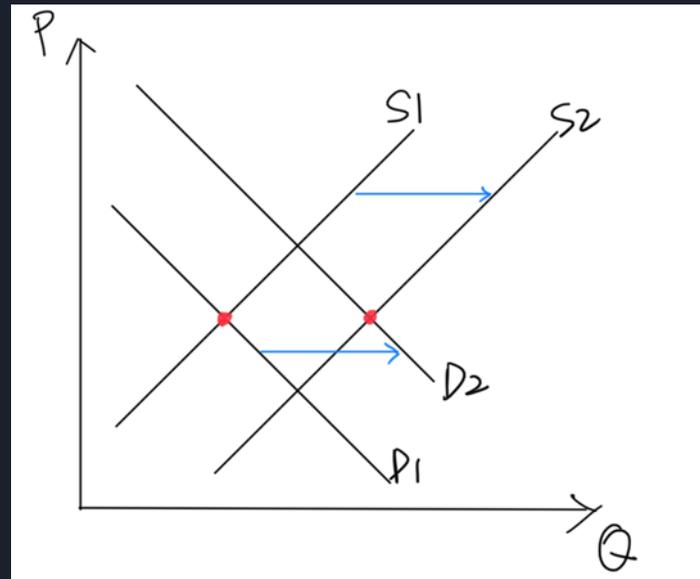
Conversations: Outside Shock

- Yutong: The COVID-19 must be the biggest shock to the delivery industry, it changes the demand and supply. In the early time of the epidemic period, the revenue of food delivery decreased because there is not a good anti-epidemic measure so that restaurants were not allowed to provide food. On the other hand, COVID-19 accelerates the development of the food delivery industry as restaurants need to survive and they turn to the food delivery platform and transform their business models.
- Yuxi: The internet and technology also promote its development. Without the internet, consumers are unable to order food online and takeout food service would not be so convenient.
- Jianing: Government policy also has an impact on it since the supports from the government helps a lot. And as the government stops people from going out, people need some takeout food to support their lives.
- Yuming: Consumer psychology is a big cause. At first, consumers were afraid of ordering takeout food which made the demand decrease. After the restaurants and food delivery platform took some measures to guarantee the safety of food, food delivery men, and consumers, they started to believe the takeout food. And due to their busy work and study, many people did not have time to cook themselves. These all increase the demand of takeout food.

Conversations: Supply and Demand Change

- Hengchen: Before the COVID-19, the supply curve is S_1 , and the demand curve is D_1 .
- Yutong: After the COVID-19. As we mentioned in *Conversation: Outside Break*, the government policy, perfect anti-epidemic measures, and internet technology promote the supply, so the curve changes from S_1 to S_2 .
- Yuxi: And as consumers need to stay at home all the time, and they do not have time to cook for themselves, their demand for takeout food increases, so the curve changes from D_1 to D_2 .

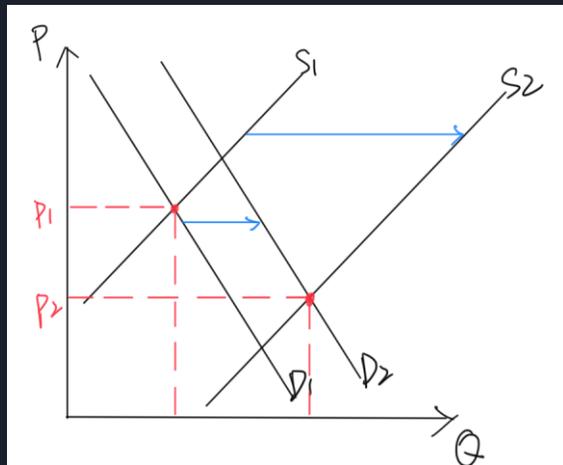
Pic.1



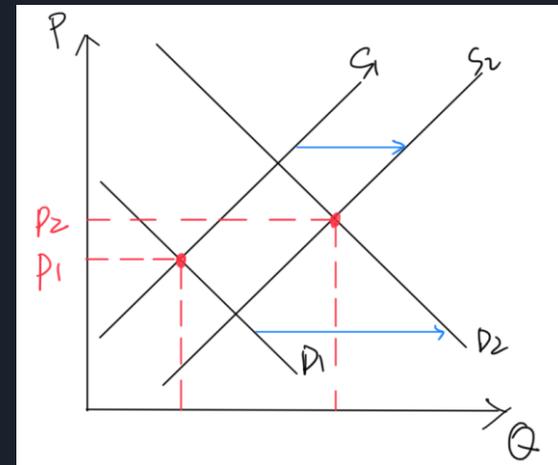
Conversations: Equilibrium Price and Quantity Change

- Jianing: For both two pictures, P_1 is the equilibrium before the epidemic, and P_2 is the equilibrium after the epidemic. If the supply increases more than demand, then the equilibrium price will decrease. (Pic.2) If the demand increases more than the supply, the equilibrium will increase. (Pic.3)
- Yuming: The quantity of supply and demand both increase during the epidemic period.

Pic.2



Pic.3





Conversations: The Future of Food Delivery Industry

- Yuxi: Due to this unexpected COVID-19, all the restaurants need to transform their business model from offline to offline + online.
- Jianing: In this way, they will be able to resist the crisis.
- Yuming: Besides, it will bring great convenience to consumers.
- Hengchen: The food delivery industry will continue developing in the future.
And there will be more kinds of modes of the food delivery industry.
- Yutong: We should always uphold the spirit of innovation, then we will not be eliminated.



Consumer Surplus and Producer Surplus Change

- **Consumer Surplus:** After the COVID-19, the price that consumers pay for takeout food will not change. But the price that they are willing to pay will rise as their demands for takeout food increase. Therefore, the consumer surplus will increase.
- **Producer Surplus:** After the COVID-19, the money that producers can receive by selling the takeout food at the market price will not change. But the money that they would be willing to accept will decrease because it was very difficult for them to earn money during the COVID-19 and they would be happy to provide food even the price is not so high as before. Therefore, the producer surplus will increase.
- **Total Surplus:** As both consumer surplus and producer surplus increase, the total surplus will increase.

Problem Set 3

Addressing Macro Data as an Economist

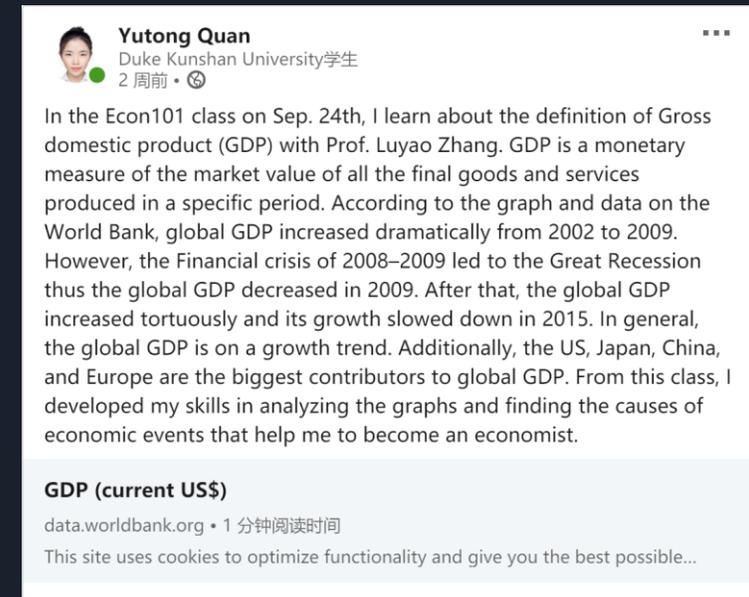
Addressing Macro Data as an Economist

In the Econ101 class on Sep. 24th, I learn about the definition of Gross domestic product (GDP) with Prof. Luyao Zhang. GDP is a monetary measure of the market value of all the final goods and services produced in a specific period. According to the graph and data on the World Bank, global GDP increased dramatically from 2002 to 2009. However, the Financial crisis of 2008–2009 led to the Great Recession thus the global GDP decreased in 2009. After that, the global GDP increased tortuously and its growth slowed down in 2015. In general, the global GDP is on a growth trend. Additionally, the US, Japan, China, and Europe are the biggest contributors to global GDP.

From this class, I developed my skills in analyzing the graphs and finding the causes of economic events that help me to become an economist.

LinkedIn Post: https://www.linkedin.com/posts/yutongquan_gdp-current-us-activity-6714742961202044929-noZV

Figure: <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?end>





My Growth and My Takeaway

In this course, I became more concerned about social welfare. I came to know that everything I do is not only for myself but also for society. Before I make decisions in the future, I will be supposed to think more from different aspects, and I should balance the benefits and losses of my behaviors. Therefore, I could make my decisions better. I felt so excited to take this course as it stimulated my creativity so much. I'm always thinking about what will happen in the future, and what I can do now to make the future better. After this course, I will keep thinking more and be more creative.



Future Economist Perspective

- Honestly, I am not sure whether I will be an Economist in the future. However, I will try my best to be someone I want to be. As I mentioned in the last slide, taking this ECON101 course makes me more creative than before. It gives me a sense of responsibility that I need to make this world fairer and make some poor people live a better life. No matter who I will be in the future, I will always try to make this idea come true.
- If I have the chance to win a Nobel Prize, I think my contribution may in a field that includes both economics and psychology.