

# **Consumer benefit: A third way to equal distribution of wealth**

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## Abstract:

This book is a classic example of practical economics. Consumerism is the main force behind market vibrancy. Consumerism is at the root of the 'consumer is king' culture. The act of consuming constitutes a market investment. A key step towards equal distribution of wealth is to convert consumer surplus into a benefit for the consumer.

### **1) Consumerism and the consumer**

Consumerism uses up large amounts of fuel, energy and time. Consumerism is like breathing; it is a lifelong action from birth to death.

The consumer is a buyer of goods and services for private use.

Consumers may be divided into nine categories: low income households close to the minimum threshold, those above the minimum threshold, white collar workers in the broadest sense, white collar workers in narrower sense, gold collar workers, those in unusual professions, the wealthy and those classes that are close to disappearing.

There are five types of consumer behaviour: impulsive, expansive, unlimited, brand-orientated and reasonably brand-loyal.

Broadly speaking there are seven kinds of consumer mentality: satisfaction, appearance,-oriented change-oriented, a desire to let off steam, a need for novelty, regret and being impressed by a product.

### **2) Consumer surplus**

Consumer surplus is the market gain the buyer makes through acquisition; producer surplus is the gain the vendor makes in selling. Consumer surplus is the difference between the price a consumer is willing to pay and the actual price. Production surplus is the difference between a vendor's revenue and his actual costs. Total surplus is consumer surplus added to producer surplus, the actual amount paid by the consumer being offset by the producer's revenue. The total surplus is equivalent to the buyer's evaluation price plus the actual cost to the vendor.

There is always a difference between the sum a consumer is willing to pay (psychological price) for a certain kind of product and the price the consumer actually pays (market price). This difference is objective proof that a consumer surplus exists, and is the basis on which the consumer makes material profits.

### **3) Measuring consumer time involved**

The value of consumer time includes the amount of time spent by the consumer buying products and the time spent using them.

### **4) Making material profits for the consumer**

Making material profits for the consumer is not something that needs to be discussed, it is simply a technical process. The basic procedure to guarantee consumer gain is to put in place a logical

response and negotiation system based on the strength of a network. It is very important to set up groups that fight for equal distribution of wealth in society and the convergence of individual and collective interests.

**5) Low fluctuation process: achieving an optimal distribution of wealth**

1. There are four means of converting consumer surplus into consumer benefit: consuming for pleasure, creating wealth with consumption, distributing profits equally, creating a wealthy population for a powerful country.
2. The consumer benefit process is the best way to achieve equal distribution of wealth.
3. To move from a producer-orientated system to a consumer-orientated one and from services that depend on manual labour to a system that depends on network strength, would be the most effective means to reduce the fluctuation between consumer profits on the one hand and fair distribution on the other.

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