



Weiran (Amelia) Li

A literary studies student dedicated to becoming a Chinese storyteller

Weiran Li is a sophomore at Duke Kunshan University and is a scholarship winner of the Kunshan municipal government. Under the liberal arts education system, she chose Global China Studies as her field of exploration. She has an abiding passion for literature, especially in creative writing, feature writing, and journalism. She had won first prizes in national composition competitions during her high school and is always keen to find and create new literary research methods and writing. She is the student editor of Duke Kunshan University Student Media Center and the intern host of Jinan TV Station. Right now, she is operating her own media account. In the future, she wants to spread Chinese culture worldwide through her media skills and a deeper understanding of Chinese literature.

Email: weiran.li@dukekunshan.edu.cn

LinkedIn: <https://www.linkedin.com/in/weiran-li-amelia/>

Tiktok & Weibo: 一颗山楂泡

https://weibo.com/5841958976/profile?rightmod=1&wvr=6&mod=personinfo&is_all=1


Trade Can Make Everyone Better Off



Weiran Li

I think the principle “trade make everyone better off” can be applied in many accepts of life. The word “Trade” can be understood as exchange what you are good at with what others are good at. In this case, both sides get what they need, which leads to a higher standard of living and a win-win situation. I use this principle quite a lot in my daily life. For example, I buy flowers for my dorm every week, at first, I tried to go to the market on weekends and trim the flower myself since in this way I can get the cheapest flowers. However, I found this would cost me a lot of time, especially during the final week. Then I negotiated with the staff of the flower shop if they could send me the flowers every week and I can pay more money. Since I have the money they want and they have time and flowers, we made the deal. Another example has nothing to do with money but study. One of my friends at DKU is very good at academic research while I am good at marketing and socializing. When both of us wanted to join an academic summit, we corporated with each other and we succeed at the end. I think this phenomenon is similar to our country’s one belt and one road project, all participants paid with their biggest strength and got benefit from the project.





How Market Works

Case study 2:

Discussion on the impact of COVID-19 on China's aviation market

Round Table Conversations



Author: Weiran Li
Contributor 1: Ziliang Tian
Contributor 2: Zhiye Ding
Contributor 3: Ruoxian Wang
Contributor 4: Yuqi Wang



Summary

Background information

At the beginning of 2020, the COVID-19 epidemic spread rapidly across the country and then to the world, dealing unimaginable blows to the operation of the economy. As well as manufacturing, airlines, which are in the service sector, got suffered too. Border closures and people's reluctance to use public transport as a precaution against the virus had led to a sharp drop in the number of customers of international and domestic airlines. The supply and demand of the aviation market had also changed accordingly.

Research questions

Our research questions will include the outside shock of the COVID-19 epidemic, the change of the demand in the Chinese aviation market, and the changes in the equilibrium price and quantity.

lessons learned

From the perspective of operation and management of airlines, each airline should take advantage of the epidemic to further improve its internal Business Contingency Plan, to prepare for its survival in the event of force majeure in the future. Also, new company businesses and flights with epidemic prevention capabilities should be developed to cover safety risks.



Conversations: Outside Shock

Weiran Li: Hello, welcome to the Round Table Podcast. I'm Weiran Li. With COVID-19 epidemic spread rapidly across China and then to the world, the economies of all countries have been greatly affected. As a service industry, airlines will inevitably be hurt. How has COVID-19 affected the aviation industry, and how has it changed China's aviation supply and demand market? The future economists in the Economic Principles course will talk about it.

Zhiye Ding: The COVID-19 first broke out in Wuhan, China. During this period, the borders of various countries were successively sealed to avoid the invasion of the infected people, and foreigners living in China returned home one after another. As a result, the number and price of international flights were stimulated.

Ruoxian Wang: Yes, especially after the epidemic began to spread around the world, COVID-19 was well controlled in China thanks to the centralized management of the Chinese government, and China, as a place of initial occurrence, became the safest place in the world. At this time, the Chinese living abroad began to yearn for a return to China.

Weiran Li: By the height of the epidemic, however, people were staying at home for reasons not to be infected, even short trips within the country had fallen sharply, not to mention international travel.

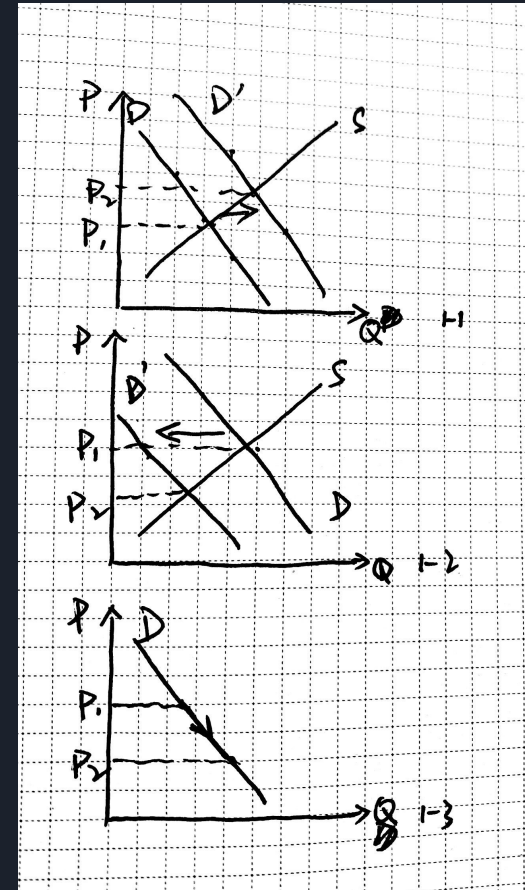
Ziliang Tian: But as things got improved inside China, people also seemed to be increasing their domestic short-term travel...

Conversations: Supply and Demand Change

Weiran Li: In terms of the domestic situation in China, the demand for international air tickets increased in the early stage of the outbreak in China and the global outbreak. Especially when overseas Chinese wanted to return home, the demand for international flights in the aviation market was severely in short supply. You can see Figure 1-1 to find the change.

Ziliang Tian: Yes, it is very difficult to get a flight back to China within that time. But when countries closed their borders and consulates stopped processing visas, there was little demand for international flights. Meanwhile, the impact of the epidemic has sharply reduced demand for domestic flights. The oversupply phenomenon appears on the market, as can be seen from Figure 1-2.

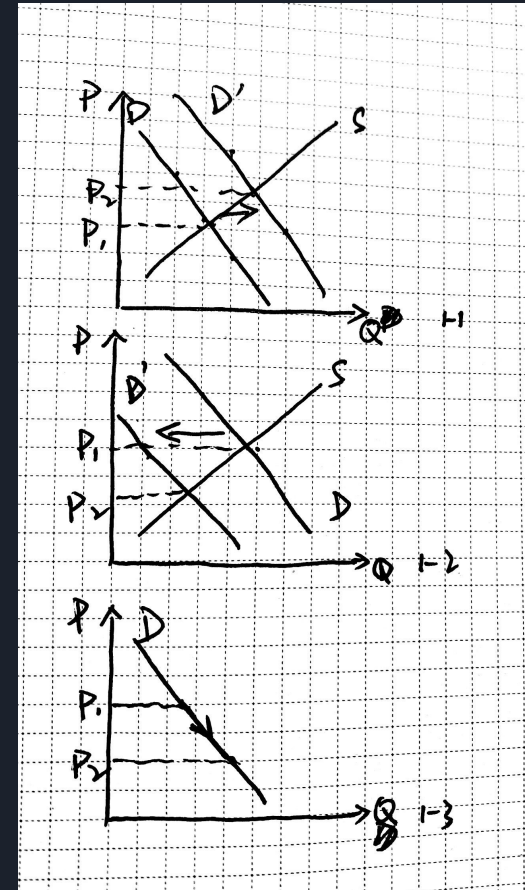
Zhiye Ding: After the outbreak was brought under control, most tickets were discounted, so the demand for domestic flights picked up, as shown in Figure 1-3.



Conversations: Equilibrium Price and Quantity Change

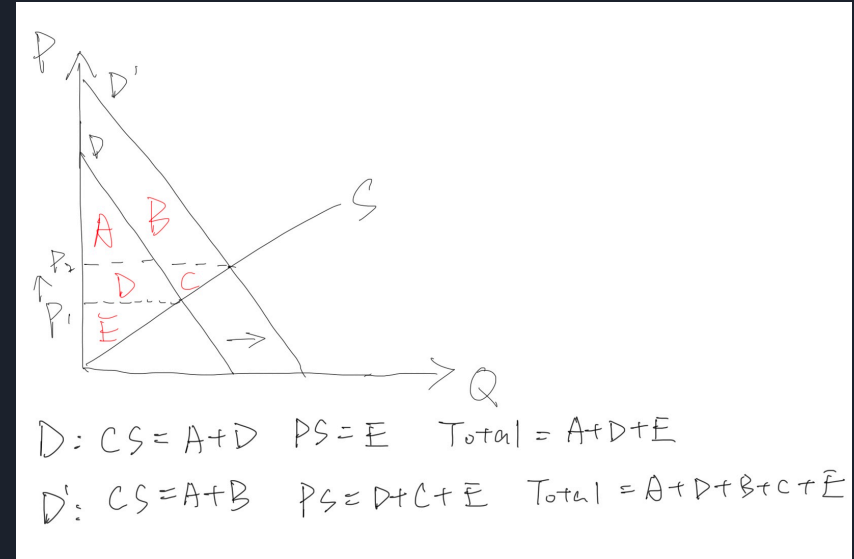
Weiran Li: As for the equilibrium price of the market, it can be seen from Figure 1 that when people were in urgent need of air tickets for a period of time, the equilibrium price of the market increased in a short period of time due to the limited flights and seats provided by airlines. On the contrary, as shown in Figure 2, when people chose not to go out in order to protect themselves from pneumonia, the demand dropped sharply in a short time and the market equilibrium price dropped as well.

Ruoxian Wang: Yes, in terms of quantity, there was more demand because planes were the most efficient way to travel at a time when airline tickets were generally discounted. However, the equilibrium price and demand quantity should return to the normal level after the air tickets are restored to their original price after the outbreak.



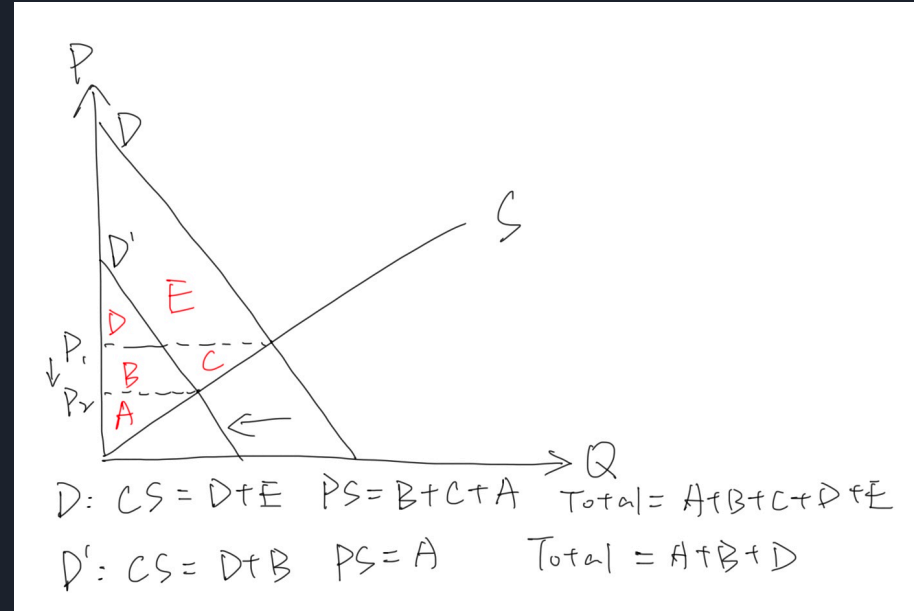
Consumer Surplus, Producer Surplus, and Total Surplus

- Weiran Li: As can be seen from Figure 1, before the price of air tickets rises, consumer surplus is the region represented by letters A and D, while producer surplus is the region represented by letter E. The total surplus is the total area of ADE.
- Zhiye Ding: After the air ticket price rises, the consumer surplus becomes area A and B, the producer surplus becomes area DCE, and the total surplus is the sum of ABCDE.
- Ruohan Wang: In this case, consumer surplus, producer surplus and total surplus have been increased.



Consumer Surplus, Producer Surplus, and Total Surplus

- Zhiye Ding: Before the market demand for air tickets decreases significantly, the consumer surplus is the area of DE, the producer surplus is the area of BCA, and the total surplus is the area of ABCDE.
- Ziliang Tian: After the market demand for air tickets decreases greatly, the consumer surplus is the area of DB, the producer surplus is the area of A, and the total surplus is the area of ABD.
- Weiran Li : In this case, producer surplus, consumer surplus and total surplus are all reduced.



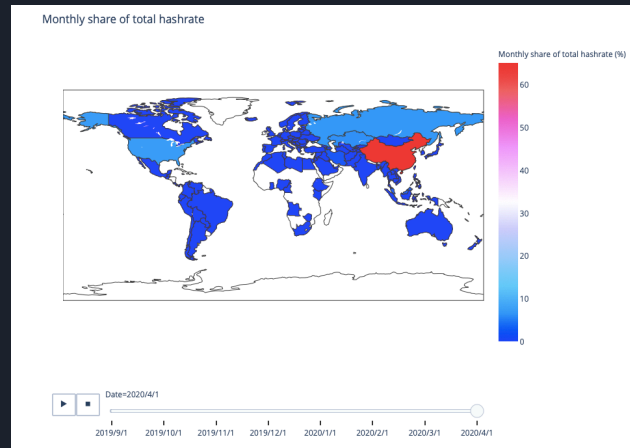
Problem Set 3: Monthly share of total hashrate

Bitcoin, or BTC, is a digital currency with a constant total of 21 million coins, which, like the Internet, is decentralized, global and anonymous. Transferring bitcoin to the other side of the world is as simple as sending an email, at low cost, with no restrictions. As a result, bitcoin is used in cross-border trade, payments, remittances and other areas.

From the Econ 101 course at DKU, our instructor Dr. Luyao Zhang taught us the method to create and analyze the graph attached in the URL. As we can see from the chart, the hashrate of the US and Canada increased in the period of September 2019 to April 2020. Meanwhile, while China's hashrate has always accounted for more than 50 percent of the world, its hashrate has dropped from 75 percent to 65 percent due to the growth in the United States and Canada.

I think the invention of Bitcoin is revolutionary. Not only will it revolutionize the way we think about money, it is likely to upend the role of central Banks in monetary policy, and it will disrupt the service of high-cost remittances.

This gave me a new perspective on the concept of money. I hope I can learn more economic knowledge in this field in the future and learning economy will become my lifelong hobby.



<https://chart-studio.plotly.com/~wl208/1/#/>
<https://www.linkedin.com/feed/update/urn:li:activity:6715527958485975040/>



What I have learned from this course?

- Academically, I learned the principles of economics and being able to define and describe the basic microeconomic and macroeconomic concepts. More than this, I have learned another way of thinking about study, that is, don't stick to the basic textbook knowledge, put your eyes on the long-term future and be a person who will never be replaced by AI.
- From the perspective of life, this course gives me the ability to think rationally. As the subject I studied before was mostly humanities, my thinking mode was more emotional than others, which led me to make some wrong decisions sometimes. Now and in the future life, I think I will be more rational and achieve my goal in the fastest and best way.
- When it comes to my career, I got the chance to write a professional LinkedIn profile and an excellent CV, which will help me a lot on the way to find a job.



Thank you!