

The Impact of the Epidemic on China's Economy

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Abstract. This article primarily examines the effects of the epidemic on the civil aviation and catering industries in China. It explores how the pandemic led to a significant downturn in these sectors, contributing to an overall decline in the Chinese economy. The decline was so steep that it resembled a straight line, reflecting the severity of the economic impact. Although the economy is currently on the path to recovery, the repercussions of the epidemic are still being felt across various sectors. At the beginning of the article, a brief comparison is made with the United States to provide a broader context. This comparison highlights how different countries experienced and managed the economic fallout from the pandemic, offering insights into the varying impacts of the crisis globally. The article delves into the multifaceted effects of the epidemic on China, extending beyond just the civil aviation and catering industries. The pandemic altered consumer spending patterns and led to a decline in retail sales. The shift towards online shopping and changes in consumer preferences are discussed, highlighting how businesses had to adapt to new market conditions.

Keywords: Catering Trade; Civil Aviation Industry; Impact in Epidemic.

1. Introduction

In late 2019, the novel coronavirus, COVID-19, causes a global health crisis and economic downturn. As the pandemic spread worldwide, it profoundly affected and shook financial markets and economies. Over 400 US companies failed for bankruptcy by August 2020, a historic high, while vulnerable retail brands like Lord and Taylor. Despite these difficulties, the Federal Reserve's actions supported the stock market, helping certain technology stocks float up or down. Small and medium-sized businesses faced major challenges in their operations. As a result, the Chinese government quickly took steps to ease financial load and overcome operational challenges. The epidemic has led to a decline in unemployment, both in China and the United States and China is the centre of the initial outbreak. The mood is also very low. Today, there is better for the worst of COVID-19, like the mood, the fall ill condition, and the recovery of the economy. So that was a big problem for China, with the government helping and the enthusiastic cooperation and help of the masses. The support of the government and the cooperation of society will lay a solid foundation for China's future growth and help position the country more favorably in the global economic recovery. It is hoped that, in the near future, China will achieve from these difficulties and have a bright and more good future.

The impact of the epidemic on the global economy is extensive and far-reaching. The initial research mainly focused on the impact of the epidemic on economic growth. According to data from the International Monetary Fund (IMF), the global economy shrank by approximately 3.5% in 2020. Research in China shows that the pandemic has led to supply chain disruptions, decreased consumption, and rising unemployment rates [1-4]. At the industry level, service industries such as aviation, tourism, and catering have been severely impacted [5-7].

In the research on the recovery period of the epidemic, many scholars focus on how to promote economic recovery and recovery. For example, the effects of fiscal stimulus policies and monetary policies are the focus of research [8,9]. Policy interventions such as tax cuts, subsidies, and loan support have a significant effect on alleviating corporate difficulties and promoting consumption. In addition, the rise of the digital economy and the popularization of remote work have also become research hotspots [10]. Overall, research related to the epidemic covers multiple aspects such as virus transmission, economic impact, social and psychological impact, and international cooperation.



Although research is still ongoing, the existing results provide valuable knowledge and experience for understanding and responding to similar global health crises. Future research will continue to focus on the long-term consequences of the pandemic and the effectiveness of continuously improving public health and economic policies to better address future challenges.

2. Impact on Chinese Cuisine Industry

"Since its emergence in 2020, the COVID-19 pandemic has spread globally, having a profound impact on various industries, with the restaurant sector being particularly hard-hit. Due to the outbreak, people's dining out frequency decreased significantly, leading to a substantial drop in foot traffic and a general decline in revenue. According to statistics, sales in the restaurant industry fell by more than 70% during the pandemic. Additionally, operating costs increased sharply. On one hand, the cost of ingredients and raw materials rose, adding to the financial burden of restaurants. On the other hand, restaurants also had to bear certain pandemic-related preventive costs. With people confined at home, restaurants faced the challenge of paying rent without being able to operate, further intensifying the pressure on the industry.

However, there were also positive effects. First, the pandemic provided an opportunity for transformation and upgrading. Some traditional restaurants began exploring new online sales and delivery models to adapt to market changes. These transformations not only helped improve sales but also fostered innovation in the industry. Second, the pandemic accelerated the digitalization of the restaurant sector. Restaurants started adopting digital technologies to enhance efficiency and service quality. Third, response strategies improved significantly. For example, restaurants began offering group purchasing options and diverse services to meet consumer demands. Additionally, there was an increase in cooperation and communication within the industry. Restaurants collaborated to tackle market challenges, reducing costs through partnerships with suppliers and logistics companies, engaging in joint marketing activities, and strengthening connections with other businesses and institutions through industry associations and organized events."

When people talk about the impact, the country and its people will never forget the days of lockdown during the pandemic. These lockdowns had profound effects, leading to a significant decrease in both consumer spending and production activities. In response to the crisis, governments and central banks in both the United States and China acted swiftly to stabilize their markets and support their economies. To address the economic downturn, various measures were implemented, including interest rate cuts, quantitative easing, fiscal stimulus packages, and direct financial payments to individuals and businesses. These actions were aimed at cushioning the impact of the pandemic on the economy and providing relief to those affected. In the United States, the stock market experienced considerable fluctuations as investors reacted to the ongoing uncertainty. The pandemic led to a sharp rise in unemployment, with many individuals losing their jobs or facing reduced working hours. Additionally, over 400 companies, particularly in sectors such as tourism, restaurants, and retail, faced severe financial distress and were forced to close or declare bankruptcy. These industries were among the hardest hit due to reduced consumer demand and the imposition of strict lockdown measures. Both governments and central banks have worked tirelessly to implement strategies that would mitigate the economic damage and foster a gradual recovery. Despite these efforts, the economic challenges remain substantial, and the road to full recovery is expected to be long and complex. The research findings revealed that, although SARS and COVID-19 have similar biological structures and modes of transmission, the impact of COVID-19 on the restaurant industry was far greater than that of SARS. Moreover, during the epidemic period, the third-party food delivery platforms launched a variety of measures to actively respond to COVID-19, such as providing contactless services and cooperating with restaurants to develop "peace in mind" reassurance programs, effectively helping restaurants to increase the number of customers, takeout, and food delivery orders. This research concluded that the third-party food delivery platform played a positive role in helping the Chinese restaurant industry respond to the COVID-19 crisis. Therefore, this is a big change for China.

3. Impact on China's Civil Aviation

The pandemic always impacts our lives, the civil aviation has a lot of problems too. In cities where is pandemic continues to spread quickly happen time, the passenger throughput of civil aviation has significantly decreased. China will have good control over our virus, the domestic passenger transport industry has rapidly recovered, while international air passenger services continue to be affected. The passenger transport volume in major cities with higher levels of socio-economic development has still significantly decreased, but they have once again taken on the majority of passenger services. The impact of COVID-19 on tourism has had a significant impact on the civil aviation industry. The recovery of the civil aviation industry depends on the recovery of the tourism industry; This, in turn, is dominated by regions with higher levels of social and economic development. In 2017, the main production indicators of China's airports continued to maintain stable and rapid growth, with a passenger throughput of over 1.1 billion people and a total of 1147.867 million people, an increase of 12.9% over the previous year. Looking at different routes, domestic routes completed 1036.146 million passengers, an increase of 13.4% over the previous year (including 27.109 million passengers from mainland China to Hong Kong, Macau, and Taiwan, a decrease of 1.9% over the previous year); International routes completed 111.721 million passengers, an increase of 9.2% over the previous year.

The completed cargo and mail throughput was 16.177 million tons, an increase of 7.1% over the previous year. Looking at different routes, domestic routes completed 10.001 million tons, an increase of 2.7% over the previous year (including 990000 tons from the mainland to Hong Kong, Macau, and Taiwan, an increase of 5.8% over the previous year); International routes completed 6.176 million tons, an increase of 15.2% over the previous year.

It completed 10.249 million aircraft takeoffs and landings, an increase of 10.9% over the previous year (including 8.729 million transport flights, an increase of 10.0% over the previous year). Looking at different routes, domestic routes completed 9.38 million flights, an increase of 11.3% compared to the previous year (including 192000 flights from mainland China to Hong Kong, Macau, and Taiwan, a decrease of 5.4% compared to the previous year); International routes completed 869000 flights, an increase of 7.3% over the previous year.

According to the Statistical Bulletin, the total transportation turnover of the entire industry in 2018 was 120.653-billion-ton kilometers, with passenger turnover of 107.1232-billion-person kilometers and freight and mail turnover of 26.25-billion-ton kilometers, an increase of 11.4%, 12.6%, and 7.8% respectively. The passenger volume reached 611.73 million, an increase of 10.9%; The freight and postal transportation volume was 7.38 million tons, an increase of 4.6%. Transport airlines flew 11.53 million hours and took off 4.69 million flights, an increase of 8.9% and 7.6% respectively.

At the end of 2018, there were 60-airlines transporting 3639 aircraft to China, with 4945 regular connections between 230-cities across the country (except Hong Kong, Macau and Taiwan) and 165-cities in 65-countries. In 2018, the number of confirmed airports in China 235, with 126.5 billion passengers, reached an increase of 10.2% in the previous year. The average daily loading capacity of registered aircraft in this industry is 9.36 hours. and the average loading capacity for scheduled flights is 83.2%. The total amount was USD 101.425 billion. Between 2000 and 2001, the Chinese government's investment was 250 million ECU, an increase of 18.5% compared to the same period in the past.

International flights resume at 70.5% of 2019 levels. So, the recovery is very quick and continues growing. Finally, that is news for China Economics.

In 2022, the total transportation turnover of the entire industry reached 59.928 billion ton-kilometers, a decrease of 30.1% from the previous year. The total transportation turnover of domestic routes was 38.786 billion ton-kilometers, a decrease of 39.5% from the previous year. Among them, the Hong Kong, Macao, and Taiwan routes completed 230 million ton-kilometers, a decrease of 23.6% from the previous year; The total transportation turnover of international routes was 21.142 billion ton-

kilometers, a decrease of 1.9% from the previous year. The entire industry completed a passenger turnover of 391.387-billion-person kilometers, a decrease of 40.1% from the previous year. Domestic air routes completed a passenger turnover of 380.501-billion-person kilometers, a decrease of 40.9% from the previous year. Among them, the Hong Kong, Macao, and Taiwan air routes completed 651-million-person kilometers, a decrease of 20.5% from the previous year; International air routes completed a passenger turnover of 10.887-billion-person kilometers, an increase of 20.2% over the previous year. The entire industry completed a freight and mail turnover of 25.41 billion ton-kilometers, a decrease of 8.7% from the previous year. The domestic air routes completed a cargo and mail turnover of 5.23 billion ton-kilometers, a decrease of 25.9% from the previous year. Among them, the Hong Kong, Macao, and Taiwan air routes completed 173 million ton-kilometers, a decrease of 24.6% from the previous year; International air routes completed a cargo and mail turnover of 20.179 billion ton-kilometers, a decrease of 2.8% from the previous year.

4. Prospects

Under the impact of the epidemic, people's attention to health has reached an unprecedented level. Remind us that no amount of career achievement or material accumulation can replace the importance of health. Maintaining good living habits, such as a balanced diet, regular sleep, moderate exercise, and scientific epidemic prevention, has become a compulsory course for everyone's life. This epidemic has made us realize that true wealth does not lie in how much we have, but in whether our body and mind are healthy. Looking back at this epidemic, we can learn many valuable historical lessons from it. Firstly, the advent of globalization has greatly accelerated the speed of virus transmission, making cooperation and information sharing among countries particularly important. The information blockade and opacity in the early stages of the epidemic by various countries have exacerbated the spread of the epidemic. Therefore, establishing effective international cooperation mechanisms and improving public health emergency response capabilities are key to preventing similar crises in the future. Secondly, the importance of scientific research cannot be ignored. The rapid response to the epidemic cannot be separated from the efforts of scientists and technological progress. In the future, we need to increase investment in public health and basic scientific research in order to respond quickly to the next crisis. The international tourism status of neighboring countries like Thailand and Vietnam is on the rise, while non-neighboring countries such as the United States and Australia are experiencing a decline. East and Southeast Asian nations are increasingly becoming the focal point of the Asia-Pacific international tourism market. Within the Asia-Pacific region, inbound and outbound tourism is showing signs of a more balanced and expanding network of market interactions, though there is a noticeable tendency for "grouping" among neighboring countries. The study concludes that, with the full resumption of international tourism post-COVID-19, it is essential to further recognize the significance of neighboring countries and their growing tourism influence. By adopting proactive international tourism interaction strategies, establishing effective economic and trade cooperation, and promoting friendly multilateral relations, a more equitable and open international tourism framework in the Asia-Pacific region can be developed. The pandemic has brought mental health issues to the forefront of global attention. Mental health is crucial for the overall well-being of individuals and societies, requiring increased focus and support. The pandemic has reminded us of the profound impact of human activities on the environment. Environmental protection and sustainable development should be a global priority to prevent future similar crises. The pandemic has highlighted the central role of scientific research and vaccine development in addressing global health crises, calling for increased investment in research and public health. The sudden decline in travel restrictions and aviation demand has led to serious financial difficulties for global airlines. However, this pandemic has also prompted the civil aviation industry to reassess its operational models and crisis management. Airlines have begun to pay more attention to hygiene measures, implementing stricter cleaning standards and non-contact services. In addition, this epidemic also encourages airlines to strive for sustainability, including adopting more environmentally friendly fuels and reducing carbon emissions. The civil aviation industry still needs to strengthen its ability to respond to global public health emergencies and improve the safety and

flexibility of air transportation. The Chinese government has taken a series of response measures, including loose monetary policy, fiscal stimulus, and financial support measures. These policies have helped stabilize the economy and financial markets. The flexibility and timeliness of policies have played a crucial role in crises, and the flexible use of policy tools should continue to be maintained in the future. Chinese enterprises and governments are rapidly shifting towards digital solutions, such as online offices, e-commerce, and digital payments. This transformation not only helped the economy maintain operation during the pandemic but also promoted the rapid development of the digital economy. Other countries can learn from this experience and promote the construction of digital infrastructure and digital transformation.

5. Conclusion

The COVID-19 pandemic began in late 2019 and caused a global health crisis and economic downturn. Over 400 US companies went bankrupt by August 2020, and small businesses struggled. The Federal Reserve supported the stock market, and the Chinese government took steps to ease financial burdens and help businesses. The global economy shrank by 3.5% in 2020, with supply chain disruptions and rising unemployment. Service industries like aviation and tourism were hit hard. Research is focusing on economic recovery, digital economy growth, and remote work. China's restaurant industry saw sales drop and costs rise but adapted to digitalization and new business models. The civil aviation sector faced challenges due to travel restrictions, with domestic travel recovering faster than international. The pandemic has emphasized the importance of health, international cooperation, and scientific research. It has also highlighted mental health, environmental protection, and sustainable development. The civil aviation industry is focusing on hygiene and sustainability. China's government has stabilized the economy with policy measures, and the shift to digital solutions has boosted the digital economy, offering a model for other countries.

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