Project Topic

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Air travel demand serves as a powerful and dynamic indicator of global political, economic, and social sentiment. In the absence of exogenous disruptions, the data show reliable seasonal patterns based on societal rhythms that we all know well, such as religious and school holidays. Large-scale disruptions (such as 9/11, the 2008 financial crisis, and the COVID-19 pandemic) have left unmistakable imprints on international flight patterns. Political events, too, can shape travel behavior in meaningful ways. I examine whether such an imprint can be found as a result of the 2025 U.S. presidential administration of Donald Trump. In particular, I investigate whether a measurable decline in flight demand from Canada to Orlando has occurred with his return to office.

The central question of this analysis is: *Is there evidence to support that a drop in flight demand from Canada to Orlando is a result of the Trump administration in 2025? If so, what can be said about the nature, direction, and magnitude of this change?* To address this, I shall use a combination of past, current, and future airline data to distinguish between regular historical demand patterns, model-based projections of future demand under normal conditions, and actual observed flight bookings under the current political climate.

To estimate the effect of the Trump administration in 2025, I shall employ intervention analysis, a statistical technique specifically designed to assess the impact of exogenous shocks on time series data. Intervention analysis extends traditional time series models—such as ARIMA—by introducing an intervention variable, a binary indicator that signifies the timing of the event. In this case, the intervention variable will equal zero prior to January 2025 (the start of Trump's second presidency) and one afterward. By incorporating this variable into the model, I shall be able to test whether the administration's return corresponds with a statistically significant shift in travel behavior, and quantify both the direction and magnitude of that shift. This modeling framework is particularly well-suited for situations where the timing of an external event is known, but the consequences are uncertain.