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At the recent IATA Annual Meeting in Sydney, Australia, Sir William Hildred made a history-making announcement: the world's airlines had finally broken the 100-million mark. In 1960, altogether, over a hundred million passengers were carried on domestic and international air routes. How much is this? Allowing for repeat passengers, it works out to the modest total of perhaps one or two percent of the world's population. I doubt that any other form of transportation can make such an unpretentious claim.

But are we to deduce from this modest statistic that aviation is still in its infancy? That it is entitled to indulge itself in self-adulation, temper tantrums and irrationality? I think not. And the very serious discussion of the issues and challenges of air transport that I have heard here today suggests that you may agree with me. I believe it is more correct to say that aviation has now attained "Young Adulthood," a stage of life when it can no longer depend on exuberant growth to bail it out of its troubles, when it is expected to abandon its innocence about itself, and when it must begin to face up to the burdensome responsibilities of approaching maturity.

This is a most difficult stage of life, and aviation can hardly be blamed for looking back nostalgically to its warmer, more sheltered past. One participant in this Symposium -- regrettably anonymous -- expressed this nostalgia

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eloquently with a little scribbled note that I just discovered pinned up on the hotel message board. It said simply: "Orville is wanted at the bicycle shop immediately, (signed) Wilbur."

What makes the shock even more traumatic is the fact that aviation is experiencing its entry into maturity at a moment in history that can be described without the slightest exaggeration as profound and unprecedented crises. The West is being powerfully challenged. Our physical security, our basic values and, indeed, our whole system of political and international order are in jeopardy. New forces of growth and change have been set in motion throughout the world. The clamor for independent nationhood is growing ever louder. Above all, time, as a dimension, has been drastically telescoped. In this disoriented, explosive environment, aviation must grow up suddenly. It cannot count on the luxury of gradual adjustment, of slow mellowing, of leisurely accommodation. And the pressures of reality will not permit it to cling to the comforting cliches and platitudes of the past. If aviation is to do more than merely drag along, preoccupied with its own parochial problems, if it is to be a vital force in our international relations, it will have to be prepared to suffer the dissolution of the last of its childhood myths and legends, and it will have to acquire, virtually over night, the wisdom and perspective of maturity even at this tender age.

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Let me speak first of the childhood myths and legends. Like every sphere of human activity, civil aviation has its stereotypes, its sancta, its doctrinal beliefs, handed down from the past. Some gradually fade into oblivion, others are clung to stubbornly. Two of these stereotypes seem to me to deserve at least a good hard look and perhaps even a decent burial with full honors: one concerns the link between our commercial aviation and the nation's military security; the other, the contribution of aviation supremacy to our national prestige. I should like to discuss each of these briefly,
because I believe they are of direct and immediate relevance to the position of the United States in the world community.

First, military security. One of the "eternal truths" that we hold to be self evident is the notion that our national security objectives are necessarily served, and are efficiently served, by any expansion of our civil air carriage; we believe that the growth of our civil airlift capacity automatically benefits our military posture, and we often take it for granted that a healthy commercial air transport industry is in itself a military asset. What makes this particular stereotype die hard is the fact that history, even relatively recent history, has tended to support it time and again. The national defense objective, of course, loomed large in the early promotion of commercial air transport, and this promotional policy paid off handsomely for us in World War II. The military value of our commercial airlift was amply demonstrated even as recently as the Berlin Blockade and the Korean War. But that was yesterday. Today, a realistic look at the wartime military airlift requirements of the 1960's will not uphold the traditional view.

When we examine the military airlift requirements that are now envisaged, whether for limited or for general war, we find that they impose demands on air carriage that an uncompromised commercial air transport system was simply not designed to meet. Among other things, the demands include the need for instantaneous readiness, for lifting outsize and dense cargoes over very long ranges, for unaccustomed loading and landing operations, in other words, demands which place severe limits on the inherent compatibility of commercial and military airlift.

I am not saying that civil aviation lacks the potential ability to contribute importantly to the wartime airlift task. On the contrary, its
contribution to military passenger transport could be a vital one. But to translate this potential into an actual ability requires a major effort that is anything but automatic. It involves a painful compromise of civil aviation's commercial purity, and a sacrifice of "normalcy" going well beyond the relatively painless Craf arrangements that have been in force in the past. It involves not merely the necessity to react to the ultimate national emergency, but also the willingness to respond flexibly to a variety of more limited military contingencies, a willingness to undergo costly and disruptive peacetime mobilization exercises, in short, to suffer a degree of interference with normal commercial operations that is hardly pleasant for the civil aviation community to contemplate. And yet it is precisely through this conversion of its potential into an actual capability that civil aviation is able to contribute in a major way to our international relations.

The other aviation myth that importantly affects our international relations has to do with the matter of prestige -- the widely held conviction that America's influence abroad and its image as seen by itself is somehow directly, and even uniquely, associated with our continued international aviation supremacy. "Prestige" is a slippery word. In old French it meant originally "a conjuring trick," "a glamorous illusion," and only much later did it begin to assume the meaning of "ascendancy over men's minds." I have no doubt that prestige constitutes a real directional force, a civilized form of influence. I am also quite persuaded that aviation has contributed more than its share to the nation's ascendancy, to our good standing in other eyes. The question I wish to raise, however, is whether prestige can be pursued as an end in itself, and whether it is really associated with any particular set of human activities.
Many of us act as if prestige depended primarily on size or power. Krushchev certainly believes this. But I wonder whether history bears him out. Just compare Tupolev's highly touted, prestige-seeking TU-114, the world's largest airliner, which now, four years after its first appearance, even Krushchev is forced to admit is a hopeless white elephant, with our own DC-3, unspectacular, reliable, ubiquitous, which, for an entire generation after its birth, yielded the United States untold quantities of true prestige. No, size and power are not the magic ingredients of prestige. History records great nations, the Mongols, the Assyrians, Hitler's Germany and Stalin's Russia acquiring enormous power, but leaving behind them not an ounce of prestige. History also records small nations, Athens of the Golden Age, Italy of the Renaissance, France of the Grand Siecle, enjoying enormous prestige, but insignificant power. History also observes today some newly emerging nations, with pretensions of power, pursuing the illusion of grandeur -- a jet airline that bankrupts its treasury -- only to find that they have gained neither prestige nor power.

What, then, is the magic ingredient? The idea of prestige, surely, is bound up with that of being respected and followed by other states because of achievement. True prestige has always been the product not so much of genuine power as of genuine excellence. And to excellence one should perhaps add innovation. But the pursuit of excellence and creative innovation is open to all nations, and is possible in all spheres of human activity -- in the arts, in industry, in the sciences, and in aviation -- but no single activity can justify an exclusive claim.

The frontiers of aviation are still wide open. There is ample room for innovation and excellence of every sort in air transportation -- not only in
the glittering spheres of supersonics and VTOL, but also in the more mundane realms of air shuttles and slow clunkers with ultra-efficient powerplants that might someday transform aviation from an elite into a mass transport medium. The vigorous and intelligent pursuit of excellence in these realms could well yield us prestige, as a by-product, far beyond our most sanguine expectations. But an obsession with prestige as an end in itself would lead only to the pursuit of illusion and to the cult of deceit. As Barbara Ward so aptly put it: "The great paradox of prestige is that those who think most about it enjoy it least, and those who put the obsession aside, and concentrate on vision and action instead, find it most plentiful."

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This brings me to the heart of my topic. Taking Barbara Ward's advice, let's now put the old myths and obsessions aside and concentrate on the vision and action that will be demanded of aviation in the 1960's, if it is to become a vital, constructive element in our international relations. In so doing, I believe we should focus not on the current difficulties of our civil aviation and the frictions they cause in our foreign relations, but focus rather on our foreign policy aims, and the challenges they pose for our civil aviation.

It occurs to me that there are perhaps three major U.S. foreign policy aims that might be singled out as being not only crucial to the future position of the U.S. in world affairs, but also of great significance to the future role of aviation in the international community. Let me state them briefly:

(1) the aim of promoting a high and sustained rate of overall growth in the United States and throughout the advanced industrialized world;

(2) the aim of strengthening the cohesion and solidarity of the Western Alliance; and
(3) the aim of creating a new community of interest, of building a new relationship of confidence with the less-developed countries of Asia, Africa and Latin America.

You may wonder why I have selected these three aims and, especially, why I have omitted any mention of countering or blocking the Communist Offensive. The explanation for this omission is simple: I believe that U.S. foreign policy aims should not be determined negatively in Moscow, but should be formulated positively in terms of our own interests and those of the Free World. But we might also bear in mind that the achievement of these three basic policy goals by the U.S. would deal a devastating blow to Krushchev's confident expectations of his inevitable triumph:

-- Success in maintaining a high rate of expansion in the West would give the lie to the Soviet assertion that the capitalist economies are moribund and that sustained high growth rates are possible only under Communism.

-- Success in solidifying the Western Alliance would destroy the Soviet conviction that the Atlantic Community will break up under the pressures of its divergent national interests and of capitalism's internal contradictions, helped along, to be sure, by the judicious use of Soviet nuclear blackmail.

-- And success in developing viable relationships with the newly-independent former colonial countries would frustrate the key Soviet aim of splitting them away from their Western association and bringing about their gravitation into the Communist orbit.

If you will grant me, then, the importance of these three U.S. policy aims, let me try briefly to tackle the difficult question of how our civil aviation might contribute to their achievement.
First, overall growth in the U.S. and the West.

The most disturbing thing here is the striking disparity between the U.S. performance and that of most other industrialized countries in recent years. Western Europe's economic expansion has been nothing short of phenomenal in the last five years, and Japan's GNP has been leaping forward at the unprecedented annual rate of 10-11 percent. The U.S. economy, in the meantime, has been crawling along at the snail's pace of about 2 percent per annum. During the past year the U.S. experienced its fourth post-war recession and, although all of them were mild recessions, the effects of our sluggish growth rate and our persistent unused capacity are beginning to retard the economic progress of the rest of the world. How does aviation fit into this picture?

Until recently, our aviation growth has been a spectacular and almost uninterrupted success story. The high mobility of the U.S. population, combined with rapid technological change has lead to the quick acceptance of the airplane as the prime mode of intercity passenger transport. But the steep upward curve has finally leveled off, and U.S. air traffic is now merely inching forward at the same slow rate as our GNP. Unhappily, this development has occurred at the very moment of vast expansion of air transport capacity, and the high cost of operating an expanding volume of available seat-miles at load factors often below the break-even point has caused serious financial distress. Not surprisingly, there has arisen a defensive, protectionist, fearful psychosis in many parts of the air transport community, distracting their attention from the key issue: their own long-run economic growth. Surely here the interests of aviation coincide with the interests of the nation. For clearly, the only economic answer to excess capacity must be
expansion of the market, and the best formula for that is still: lower fares, through the development of new classes of service.

What is preventing lower fares and new types of service from being adopted in international aviation, particularly on the all-important North Atlantic routes, the key market that is simply crying out for development? The spotlight falls sharply on IATA, where efforts to lower fares and to try out new ideas in the last two years have been systematically frustrated, and regularly nibbled to death by disagreements over trivia. It seems clear to me that the future growth of international aviation, and, indeed, its contribution to the overall U.S. growth objectives, now depends largely on the adoption of radically new, imaginative fare policies aimed at opening up the international airways more widely to moderate income travelers. If IATA, with its unanimity rule and its infinitely heterogeneous membership, has become too hidebound and inflexible to fulfill this task, other multilateral or perhaps ad hoc bilateral instruments, less universal in their membership and less paralyzed by the one-country-one-vote principle, must be found.

Given the overriding importance of the economic growth objective in U.S. foreign policy, and given the very great relative strength and efficiency of the U.S. in international air transport, vigorous U.S. aviation leadership in this direction could surely break the log jam. The competitive tools that are so important in our domestic aviation must be sharpened in the field of international aviation as well.

The second U.S. policy aim I mentioned is the monumental one of building and cementing the Western Alliance. Monumental, because our efforts here have already been crowned with success beyond all expectation.
Ever since the end of World War II, the U.S. has worked consistently and determinedly for a strong, prosperous and united European community which would be a mainstay of Western civilization. The industrial rejuvenation of the war-torn European economies has been truly remarkable, and Western Europe, in close moral and political association with the United States, has become a solid bulwark against Communist expansion. Now, stability and progress has enabled Europe to embrace a new vision with far-reaching consequences: an integrated economy, a Europe-wide Common Market. Europe's trade has prospered, spurred by its enormous economic expansion. The original Common Market of six members has attracted new associate members left and right, and even proud, insular Britain has finally thrown in its lot with the Continent. For the first time there is serious talk of confederation. Before long, there will come into being an association of perhaps 20 European countries, a community of some 300 million people. Not only will it be the largest trading unit in the world, but its economic and financial power will rival our own.

Inevitably these developments will create new opportunities, as well as new frictions, for our own economic policies. And equally inevitably, these developments will have important implications for our international aviation policies. One implication, clearly, is that, given the very rapid expansion in per capita income in Europe, Europe's ability to generate international air traffic may grow explosively within the next few years and may begin to equal our own. Another implication is that the trend toward integration and confederation in Europe may convert the present feeble beginnings of a European Air Union into solid reality.
I wonder if these far-reaching new trends are receiving enough attention in U.S. aviation circles. We are witnessing here the emergence of the world's first private-enterprise mass market outside of the United States, an economic system that will enjoy the production and distribution efficiencies, the high wage rates, and the massive purchasing power which, heretofore, have been associated only with the United States. How will U.S. aviation react to this new European economic system?

One reaction might be to look upon it as a "ganging up" against the U.S., as a dangerous economic opponent that threatens our aviation supremacy. The proper action to fit this view would be to adopt a restrictive, resentful, protectionist "beggar thy neighbor" policy, and the predictable consequence -- acrimony, retaliation, a shrinking market and, indeed, a weakening of the Atlantic Alliance.

A more hopeful reaction, however, might be to recognize the new Europe for the aviation opportunities it offers; to reaffirm the liberal principles of air commerce that have served us well in the past and that may again serve now to keep European regionalism from becoming "inward looking;" and above all, to be far sighted and imaginative in the complex task that lies before us, of adapting our antiquated bilateral Bermuda formulas to a vastly changing world.

This brings me to my last, and by far my most intractable U.S. policy aim, namely that of developing productive, positive relationships with what we loosely refer to as "the underdeveloped world."

I doubt that there is any aspect of U.S. foreign policy that is more fundamentally important than our effort to demonstrate to the newly emerging countries, through technical assistance, through development credits and
grants, through enlightened trade policies and through political understanding, that there exists, in fact, a community of interest between them and the United States. The role that any one activity, even one so promising as aviation, can play in this difficult political task is not easy to define. Somehow, all the familiar dimensions seem to change when the industrialized West begins to grapple, no matter how sympathetically, with the harsh facts of underdevelopment. For here we face not merely a situation of pitifully low incomes, undiscovered resources and untrained human skills. We face also a situation of virulent emotions and passionate beliefs. Their intense new nationalism, their inability to forget the colonialist past, their grim insistence on independence of Western tutelage and, at the very same time, their abject worship of Western modernism -- all of these combine to create an environment marked by impatience, reckless ambitions and unrealistic expectations. It is not an environment in which the accepted, orderly procedures of the West can be easily reproduced and made to work.

Most of these nations look upon aviation as something much more than a commercial undertaking. To them it is a symbol of nationhood, an index of political achievement. Being under great pressure to give the appearance of dramatic progress, they tend to be most receptive to ideas about aviation development that create illusions of grandeur rather than serving practical need and economic sense. For the West, the easy way out would be simply to accede to irresponsible local demands, to outdo the Russians in responding dramatically with splashy, showy projects, like gift helicopters to heads of state or shiny jet transports to bolster national prestige. But is the easy way the right way? The Russians, surely can afford to be irresponsible in their foreign aid policies, since they have no stake in the preservation of
the existing world order or in the survival of the governments to whom they
give aid. Western aid policy, on the other hand, embraces ambitious and
constructive aims: to promote sustained progress toward economic growth
under reasonable conditions of internal stability. Such aims require that
we be concerned about the broader, long-range consequences of our aid for
the recipient country. In aviation, this means that we must become much more
concerned than we have been heretofore, with the role that air transport might
play in the internal economic and social transformation of these countries.
We must go well beyond our past preoccupation with developing local airlines
primarily as feeders to our global air routes, and really try to assist them
in devoting their attention and energies to their own nation-building task.

I am not saying that this is easy. In fact, it will impose the greatest
demands on the tact, skill and ingenuity of the Western aviation community.
It will mean taking a serious interest not merely in local aviation matters,
but in the whole panoply of local economic development problems, so that air
transport development will not stand apart as it does now, but become an
integral element of an overall national transport development concept. It
will mean becoming involved in the various multi-national economic groupings
all over the world that are attempting to integrate their national develop-
ment efforts into broader regional plans. The need for tying the separate
national air transport developments into coordinated regional programs is
absolutely vital if we are to bring some order and sanity into the present
chaos, yet aviation is almost totally unrepresented on the various councils
set up to tackle this problem -- the UN regional economic commissions (ECFAE,
ECLA and the new Economic Commission for Africa) or the regional free trade
associations (such as LAFTA). I see no reason why these could not serve as
useful vehicles for intelligent U.S. leadership in the direction of badly needed regional aviation rationality. Finally, and perhaps most important, it will mean developing a modicum of cooperation and common purpose within the Atlantic Alliance, so that the sometimes bitter rivalry for "aviation influence" in the developing countries that exists today among the major Western powers will not undo all of the good of our best-intentioned efforts.

Now I have roamed far and wide, in the past half hour, and perhaps rather recklessly, across the broad landscape of our complex world. I hope you will forgive me for having touched only so briefly, and on only so few of the interesting problems that now confront aviation as it enters its new, mature stage of life. But perhaps I have said enough to demonstrate my point that there is no looking back. That the childhood legends no longer give aid and comfort. That the answers to aviation's modern problems cannot be found at Kitty Hawk, in the Spirit of St. Louis or even in the noble visions of the Chicago Convention. The answers must be newly developed, with fresh concepts and a broad perspective.

As for me, I'll just join Orville and Wilbur at the bicycle shop.