

# The Numbers Don't Lie

**U**.S. airlines' foreign competitors—Emirates, Etihad Airways, Qatar Airways, and Turkish Airlines—are predicted to double their capacity by the end of the decade, according to a new report by the Massachusetts Institute of



Technology. By 2020, Emirates Airline is expected to outpace both United Airlines and Delta Air Lines to take the global lead in revenue. The record-breaking aircraft sales announced during the first hours of the Dubai Airshow—\$162 billion—clearly indicate the sharp focus of Middle Eastern airlines to grow, and dominate, the global airline industry.

Need more evidence that something needs to change? The total number of widebody aircraft orders for Emirates, Etihad, and Qatar at the Dubai Airshow—where I represented our union and our call for a level playing field for U.S. airlines and their employees—was a staggering 368 airplanes. This order alone doubles the existing widebody fleet of the three airlines, bringing the total locked-in order to 845. Add another 259 soft orders, and the combined widebody fleets of all three come to more than 1,000.

As I've stated before, we can't stop the explosive growth that is built into the long-term economic strategy of their individual countries. According to the Dubai Airshow's marketing material, another \$400 billion is expected to be invested in Middle East airlines and airports in the immediate future. But what we can do, what we must do, is strategically position our airlines and our profession for future success.

The secretary general of the Arab Air Carriers Organization had it half right in an April 2011 speech to the International Aviation Club in which he compared the U.S. airline industry to dinosaurs that will soon die due to their inability to adapt to their environment. If U.S. airlines are to die, it will be due to U.S. government policy and vision that is stuck in a domestic competitive mindset while we do business in a global economic environment.

It is time for our own governments to develop policies that promote a pro-aviation growth environment for us. As I clearly told the many senior U.S. government officials and international airline industry leaders with whom I met while in Dubai, we are not asking for subsidies for our airlines. We are, however, demanding a level playing field.

In a fair marketplace, ALPA strongly supports new orders for U.S.-manufactured airplanes, and we are strong proponents of U.S. exports in the form of goods and services. The current marketplace, however, works against us. The tremendous extent to which the Export-Import Bank of the United States'

below-market financing helps *only foreign*—and often heavily state-supported—airlines purchase widebody aircraft and compete against our airlines makes the case clear for how U.S. government policies distort the marketplace.

This is one reason why ALPA acted in Dubai and Washington, D.C., to make certain our message calling for a fair marketplace was part of the narrative as new airplane orders were announced at the airshow. It is also why ALPA is taking aggressive legal and legislative action to ensure that the bank

**I**n a fair marketplace, ALPA strongly supports new orders for U.S.-manufactured airplanes, and we are strong proponents of U.S. exports in the form of goods and services. The current marketplace, however, works against us.

conducts the congressionally mandated analysis of the effect that its lending decisions could have on the U.S. airline industry and employees. The real endgame is for the bank to follow the will of Congress in its 2012 reauthorization and work with foreign export credit agencies to eliminate all taxpayer-backed financing of widebody aircraft.

With a similar goal, ALPA supported lawmakers for reinforcing their adamant opposition to an administration plan to open a U.S. Customs and Border Protection preclearance facility at Abu Dhabi International Airport—a place no U.S. airline currently serves. New legislation introduced by Rep. Patrick Meehan (R-Pa.) and Rep. Peter DeFazio (D-Ore.) clearly shows the widespread opposition to a facility that would exclusively benefit a heavily-state backed carrier while actively harming U.S. airlines' ability to compete globally (see page 12).

As we look to the New Year, our union will more than ever enlist and count on every member to join in our fight for a more competitive, ever safer, and more secure air transportation system. Our government leaders must recognize the scale and strength of ALPA's call for action, whether it is to ensure all airline pilots are equally protected from fatigue through passage of the Safe Skies Act (see page 12) and the installation of secondary barriers on the flight deck, or to make certain U.S. and Canadian government policies are pro-growth—rather than anti-competitive—as we compete on the world economic stage.

*Donald Lee Moak*  
Capt. Lee Moak, ALPA President