

Editorial

IATA's 50th Anniversary

In 1944, the international aviation community celebrated the 50th anniversary of the Chicago Convention, and ICAO concluded the year with a well-prepared and abundantly documented 4th Air Transport Conference.

The airline industry took part in the above festivities and, at various occasions, presented its views and ideas about the way in which the governments – individually and through ICAO – should handle its interests.

The ICAO Conference did not result in a dramatic change of the regulatory framework, but then, very few aviation experts had expected a different outcome. After all, if bilateral air transport negotiations are any indication of governmental policies and practices, they, also in 1994 and with few exceptions, showed a clear preference for continued reliance on governmental 'guidance' and support, not only on the technical, safety and security side but in the sphere of commercial 'threats and opportunities'.

Though cautious liberalization initiatives were taken in an increasing but still relatively small number of bilateral relations, and some regional groupings of States went ahead with a gradual opening up of their internal markets (with the European Union as the prime example of far-reaching de-control of internal market access, capacity and pricing), there was little reason to expect a *global* landslide in regulatory thinking.

This outcome, however, does not affect the growing influence of established economic principles (such as: subsidization unavoidably weakens an industry, whereas competition strengthens it) on governments' attitudes *vis-à-vis* 'their' airlines. And neither does it reflect on the growing awareness of States of the broader economic interests served by efficient, market-driven national airlines.

Could the message of 1994, the year of what one could call the 'governmental' side of aviation be that it is now the airlines' turn, individually and collectively, to try and shape their commercial future within the framework of a gradually spreading *economic* (as opposed to political) approach towards (the regulation of) air transport?

This brings us to the International Air Transport Association (IATA) and to 1995, the year in which this Association of more than 200 international airlines celebrates its 50th anniversary. A year which is as 'governmental' as the previous ones, with the usual regulatory issues confronting the industry, with the General Agreement on Trade in Services (GATS) providing the airlines with an additional set of rules to comply with, with an ICAO Assembly to prepare for, and with a European Commission mentally – though far from undisputably so – preparing itself for aviation talks on behalf of all member States with the rest of the world in general and with the USA in particular.

What should – and can in practice – be the role of IATA in shaping the airlines' future?

IATA's stated mission is to represent and serve the airline industry. Its stated goals are, *inter alia*:

- to promote safe, reliable and secure air services,
- to assist the industry to achieve adequate levels of profitability,
- to provide high quality, value for money, industry-required products and services to meet that meet the needs of the customer, and
- to identify and articulate common industry positions and support the resolution of key industry issues.

Not an easy task, for there is a veritable plethora of 'key industry issues, that continue to defy quick and adequate resolution, and thus affect the realization of the other goals.

The readers of AIR & Space LAW are familiar with a large number of these – most regulatory – issues, such as multilateralism and regionalism, national ownership and control, codesharing, groundhandling (monopolies), liability, ATC, and the financial requirements of the industry. And IATA, in 1994, published its own awe-inspiring list of 'key global and regional aeropolitical/regulatory issues facing the airline industry in 1994 and beyond'.

The Editorial Board of Air & Space LAW decided to publish a special IATA issue coinciding

with IATA's anniversary celebrations and dedicated to a broad selection of the above industry issues.

For that purpose, we asked a number of well-known experts in the various fields to contribute with an article to the solution of these issues – or at least to the debate thereon. We did not specifically ask them to define IATA's role in the process, which may be negligible in the solution of some problems, and vital in the solution of others.

We may nevertheless be able to draw some lessons from their contributions with respect to the way in which the airlines may convince (their) governments to help them shape their own future.

But one should keep in mind that governments may only act upon the airlines' strategies, ideas and plans if and to the extent that these are clear,

concrete and well-defined: a heavy responsibility indeed and a challenge which may only be met by individual airlines or small groups of like-minded colleagues.

The Board of Editors expresses its appreciation to the authors for their valuable contributions. And we hope that the readers, apart from acknowledging the contributors' efforts, will also be stimulated by the views expressed into collecting – and expressing – their own thoughts on these topical and challenging issues.

The industry and the customers it aims to serve certainly deserve it and may benefit from it.

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