Playing Hardball in Washington, D.C.

By Michael Robbins, Director, ALPA Government Affairs Department

We've been talking a lot recently about the effects of globalization. From talking to line pilots on a regular basis, I know that some of you absolutely understand the ramifications of what an airline like Emirates is capable of when it comes to ALPA jobs and the routes flown by ALPA members. There may be others of you who haven't made the connection, and there may be some who frankly don't care. Maybe you don't think that globalization will have a far enough reach into your airline, your routes, or your job for you to take note.

I do realize that one column or a series of magazine articles may not convince you that the battle for international air traffic routes is at our doorstep. But when the door of opportunity opens and the U.S. government weighs in on how to deal with the competition, the battle could set a precedent that domestic routes are fair game, too.

As director of ALPA's Government Affairs Department, my challenge is how to get your attention. Face-to-face visits, presentations, and discussions in crew rooms have proven to be successful information drives. And last year's pilot partisan-themed issue of *Air Line Pilot* (May 2012) seemed to be effective as well. So we're doing it again this year, updating the legislative and regulatory hot topics and again taking the time to talk about global competition. I hope that you at least have an open mind and take the time to read why the new, up-and-coming air traffic competition does matter and how it *does* or *will* affect your career.

On April 8 of this year, Emirates announced that it would use its Fifth Freedom rights and existing Open Skies agreements to begin flying on October 1 a new route to the United States: Dubai – Milan – New York, picking up new passengers in Italy enroute to the U.S. This announcement came on the heels of Qatar Airlines making a similar announcement of a Doha – Athens – New York route.

With new attempts under way to liberalize our foreign ownership and control laws, state-owned airlines in the Middle East and Asia adding more and more routes to North America, and our own governments' promoting policies that not only hinder U.S. and Canadian airlines' ability to compete internationally, but actually promote foreign carriers at our airlines' expense, now more than ever every ALPA member must engage in our work to safeguard the U.S. and Canadian airline industry and its employees.

I cannot emphasize enough how smart, well-funded, and engaged our competitors are in this battle. In the article, "UAE's Long-Haul Vision," you will read about the extraordinary generosity of the United Arab Emirates (UAE) to the people of the United States. And while certainly their charitable work is laudable, it is also strategic. With exceptional long-term and purposeful vision, UAE leaders have contributed to high-profile charities to help influence public opinion among U.S. citizens, and notably, U.S. decision-makers in Washington, D.C.

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As a father, I have been to Children's Hospital in Washington, D.C., more than a few times—thankfully always for minor treatments. Each time I enter the hospital, I am reminded by the numerous signs and tributes in the halls of the hospital of the generosity of the leader of Dubai, whose name adorns the shiny new building in northwest D.C. Countless other lawmakers, government staffers, and member of the news media have taken their children to this same hospital. While generous, make no mistake that this contribution is part of a long-range vision to benefit its airlines as it seeks greater access and influence in the United States.

As you will read on page 32, the UAE has learned from its past mistakes. Utilizing immense wealth and brilliant strategic planning, it is making tremendous inroads into North American governments, mending fences and gaining entry into the halls of power. As I write this, the White House just finished hosting a visit from the crown prince of Abu Dhabi, who ▶▶▶

met with the president of the United States to discuss, among other things, the Department of Homeland Security's proposal to open a U.S. Customs and Border Protection Preclearance facility at Abu Dhabi International Airport. That proposal, which poses an immediate threat to U.S. airlines and is discussed in greater detail in Capt. Moak's column on page 5, did not just happen on its own. Nor is the subsidized financing of Etihad's and Emirates' massive widebody fleets by U.S. taxpayers through the Export-Import Bank an accident.

As I said earlier, the battle for international air travel is at our doorstep. And our government decision-makers are opening the door and welcoming our foreign competitors with open arms. It's up to us to educate them about how they are crippling our jobs. It's up to us to tell them they are making critical mistakes. It's up to us to be the voice of the North American airline pilots and protect our industry, our jobs, and our careers.

UAE's Long-Haul Vision

By ALPA Staff

"My grandfather rode a camel, my father rode a camel, I drive a Mercedes, my son drives a Land Rover, his son will drive a Land Rover, but his son will ride a camel" is a quote attributed to Sheikh Rashid bin Saeed Al Maktoum, ruler of Dubai since its founding in 1958, as testament to his strong sense that Dubai needed to develop an economy that would thrive long after the emirate's limited oil reserves were depleted.

Known as the father of modern Dubai, the ruling family's website states that Sheikh Rashid in 1959 borrowed money from neighboring oil-rich Kuwait to dredge the small creek wending through the town to enable it to accommodate large shipping vessels. The plan worked, shipping in Dubai flourished, and, when oil was discovered in 1966, Sheikh Rashid had the resources to fund the expansion of the port as well as other infrastructure for the emirate, including an international airport.

Over the three decades that followed, Sheikh Rashid transformed a small port town of fisherman, traders, and pearl divers into one of the largest container terminal port cities in the world. The phrase that many consider to be Sheikh Rashid's motto and model, "What is good for the merchants is good for Dubai," continues to be borne out today in Dubai's tax-free business environment and its government's pro-business policies.

"Today, oil makes up just 5 percent of Dubai's gross domestic product, while aviation makes up 28 percent, or $22 billion, as well as directly and indirectly supporting more than 250,000 jobs," said Tim Clark, president of Emirates Airlines in a September 2012 speech before the International Aviation Club in Washington, D.C. "This is a direct result of Dubai's pro-aviation policy and vision of the leadership."

Dubai is one of seven different emirates that form the United Arab Emirates (UAE), and its major city bears the same name. Sheikh Rashid died in 1990, and his son, Sheikh Mohammed bin Rashid Al Maktoum, now rules Dubai and serves as vice president of the UAE, a federation his father helped to create.

Today, Sheikh Mohammad continues the Al Maktoum family's vision of a strong and diversified economy for Dubai and for the UAE. "Our plans do not flow from mere ambition; they are a necessity," said Sheikh Mohammed in a 2008 opinion piece published in *The Wall Street Journal.* "Consider that only 3 percent of our revenue is from exports of diminishing crude-oil reserves; 30 percent is from tourism, and there's increasing revenue from manufacturing and other sectors such as hospitality, technology, and transportation.... We believe that helping to build a strong regional economy is our best opportunity for lasting social stability in the Middle East."

The emirate of Dubai first became familiar to many Americans in 2005, when a state-owned company, Dubai Ports World, made plans to purchase for $6.8 billion the Peninsular and Oriental Steam Navigation Company of London, the parent of P&O Ports. The sale would have given the Dubai company administrative control over shipping operations at six U.S. ports in Baltimore, Miami, New Jersey, New Orleans, New York, and Philadelphia. In February 2006, an Associated Press story reported the deal, lawmakers from both parties raised security concerns, and public opposition to the sale mounted. The following month, Dubai Ports World announced it would sell its