

America's Airlines: Unofficial Instruments of National Policy

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The time is 1945; the place is Macy's department store in New York City. As the elevator reaches the fifth floor, the operator announces what can be found at this level: "Ladies' girdles, gentlemen's socks, airplanes, and household appliances." True enough, customers could purchase there the two-seater Ercoupe, an all-metal plane with a tricycle landing gear and a simplified control system, an airplane for Everyman.

The end of World War Two was supposed to usher in the new age of aviation in America that would make the personal airplane nearly as common as the personal automobile, and indeed, in 1946, five times as many private planes were sold than in any previous year, over 33,000. But then the boom ended abruptly. Sales fell by half in 1947, and by half again in 1948. By 1950, the dream of a plane in every garage was dead, and it was clear that the twentieth century, the century of flight, would be one in which commercial airlines dominated the skies.

The golden age of romance for private aviation lasted not quite 25 years, from Charles Lindbergh's 1927 transatlantic solo to the collapse of the impractical vision at mid-century. This golden age was not marked by sales of private planes, since the technology did not exist in the 20s, the necessary prosperity did not exist in the 30s, and the war postponed the dream in the first half of the 40s. No, this period was distinguished by faith in the redeeming and ennobling qualities of flight. Flying was good and that was that. It was a saving force in a grubby world, allowing men for the first time to rise above the inequities and meanness of the earth, just as angels did. Flight itself would give man a new freedom, and flight in one's own airplane would signify the ultimate freedom.

The dream failed because the dream was wrong. Flight was not the salvation of man or even the guiding force to a morally as well as materially superior world. Flight was simply the best way to move people swiftly over great distances. Today the dream has been resurrected in a vastly improved form. Air travel today is cheaper, faster, safer, more comfortable, more usual, and immensely more democratic than the early prophets of flight could have imagined. Realism and utility have replaced romance and adventure. The agent of this transformation is the com-

mercial airline and not the private airplane. Still, the fundamental struggle to sustain the dream of freedom common to both private and commercial aviation continues: how free should the air be?

The arbiters of this question have been the United States government and the American airlines themselves. In a reversal of traditional tendencies in other fields of business, frequently it has been the government that has argued for less control, and the airlines for more. Usually the interests of the government and the airlines coincided. The government wanted an effective and stable aviation network, essentially serving American business at home and American foreign policy abroad, while the airlines sought to preserve their sheltered status as regulated carriers with artificial fare structures and restricted competition. Wanting to keep their official shield, the airlines have been sensitive to the government's desires, for until 1978, it was the government, through precious route awards, that protected the airlines from potentially ruinous competition. This has meant that the airlines served as unofficial instruments of national policy.

It is not that the government has been casual and uncaring about the airline industry, at least not since 1930. On the contrary, the federal government recognizes the crucial importance of airlines and their suppliers in a number of important ways, starting with national security. After all, the first sale Orville and Wilbur Wright made was to the military. America's international airlines have traditionally done the work the government would prefer not to be seen doing, or believes can be better done by private companies. The symbolic as well as real importance of America's presence, power, and technical expertise as expressed through American airliners parked at the ramps of foreign airports is evident, just as the first acts of an emerging nation seem to be to design a national flag and create a national airline.²

America has been one of the very few countries without an official national flag-carrier, which it has found not only a contradiction of American free enterprise principles, but unnecessary practically. America's commercial airlines carried the flag, established new American-dominated outposts around the world, and exploited more than one South American economy. Pan American World Airways in particular served as an unofficial state department in all parts of the globe. With the private sector functioning so well, imposing little burden on the federal bureaucracy, budget, or conscience, there has been no need to create a government-dominated airline, like Britain's well-named Imperial Airways, which was the agent of empire along what is called the "all-red" route. More recently the CIA used cover companies in Indo-China. Air America was created to fight the North Vietnamese, and the U.S. carrier Continental Airlines was prevailed upon to set

up Continental Air Services in Laos. The latter delivered not only conventional foodstuffs, but also "heavy rice," a euphemism for weapons and munitions.³

Of course, the economic stakes are too large to be ignored by the government. The country is dependent, psychologically and economically, on commercial aviation. America's airlines fly about 40% of the world's passengers. American airframe and engine manufacturers are incomparably the world's largest. Today, aircraft and engine sales account for more than half of America's exports, a particularly critical area, and one with considerable long-range potential, since it is estimated that the world's airlines will require 4,000 new passenger aircraft by 1993. Boeing alone makes over half of the world's jet transports. The only high-technology industry apart from data processing in which America is still the leader is manufacturing airplanes.⁴ All of these economic activities operate today in a free-market environment, and one that the United States is willing to protect by international diplomacy, as it did in 1986 by accusing Airbus Industrie of unfair practice because of government subsidization of the four-nation consortium. Boeing is allowed a virtual monopoly because no one can see a sensible alternative. During the 1973-74 oil crisis, Pan American and TWA conferred about transatlantic flight capacity and no one in the anti-trust division murmured about collusion.⁵

The government will intrude into this Adam Smith Garden of Eden only when absolutely necessary. In 1971, Rolls-Royce went broke making the RB.211 engine for Lockheed's TriStar jet, and as a result Lockheed faced bankruptcy. The only solution was for the federal government to guarantee a vital loan for Lockheed so that the L-1011 program could continue. In effect, the American government solved a problem created by the British. This celebrated bail-out worked, and not only for the British. One hundred thousand American jobs were saved, and the loan was repaid, together with a 31 million dollar fee to the U.S. Treasury.

Nevertheless, government intervention is clearly a last resort. The House of Representatives passed the Lockheed bail-out measure by three votes, the Senate by one. True, the federal lending institution that encourages sales abroad, the Export-Import bank, has recently used up to half its funds to secure overseas sales of American aircraft, but it is also true that most financing of overseas aircraft and engine purchases is arranged through private American banks. It is not only in jest that airline people make the statement that "Citibank owns the largest fleet of airplanes in the world outside the Soviet Union."⁶ America does not have a federal agency to guide and advise, like the Japanese Ministry of International Trade and Industry (MITI), and apparently it does not want one.

For nearly a quarter of a century after Kitty Hawk, planes were too small, could lift too little, and went too slowly to be much good commercially. As late as 1922, people sometimes ran down the street after airplanes.⁷ In fact, passenger airlines were not profitable until 1936, with the introduction of the 21-seat DC-3. What filled the gap and created revenue for the airlines which began to spring up in the middle and late 1920s was carrying air mail.

Ironically, it was the railroads which gave commercial aviation its first big boost, two years before Lindbergh. The Post Office threatened to resume carrying its own mail, and the railroads, faced with the loss of steady and substantial income, met part of the challenge by advocating federal air mail contracts. Evidently they were willing to sacrifice a small part of their mail freight to keep government out of the transportation business.

The railroads' effort was only partly successful, for in fact at this point the federal government for the first time became seriously interested in commercial aviation. Herbert Hoover was the Secretary of Commerce from 1921 to 1926, and he understood that encouraging passenger traffic, which was in the national interest but certain to be a financial loser in the immediate future, could be stimulated only by providing commercial airlines with a steady income in the form of air mail contracts. All sides encouraged Hoover to gather responsibility for commercial air transport to his department. Hoover agreed, eager to apply his corporatist philosophy and have the government become a cooperative and not an adversarial partner in private business. In 1925, the Air Mail Act, usually called the Kelly Act, was passed. America, which did not have a single regularly scheduled air transport line as late as 1924, was, because of government stimulation of private business, on its way into the future.⁸

Of course the public benefited from more rapid delivery, though service at first was erratic. Trains were often faster and always more reliable; air mail users soon developed the habit of sending a duplicate letter by surface mail for insurance. The real beneficiaries of the Kelly Act, however, were the airlines themselves, for an air mail contract amounted to a federal subsidy, encouraging the first growth of airlines without direct, or even apparent, government control. Eddie Rickenbacker's Florida Airways rarely had a passenger to sit in one of its plane's wicker seats, but it could stay alive by having its agents air mail wrapped bricks to each other and earn a 100% profit.⁹ Without an air mail contract, an airline could not survive for long. With that implicit subsidy, nascent air transport companies were able to trace the first lines of commercial air service over the map of America, and become the homesteaders of the skies.

Thus, the work of starting a successful airline usually began not in some remote hangar with a pilot or two in white silk scarves and a World

War One surplus plane, but in Washington. The acknowledged master of lobbying for air mail contracts by using his superb persuasive and negotiating talents (as well as his old boy network from Yale) was the founder of Pan American, Juan Trippe. "He was referred to as a robber baron and a buccaneer, albeit a gentleman of the species," says one of his biographers,¹⁰ and he had much in common with the railroad tycoons of the late nineteenth century. Pan American's first route carried the mail and a few passengers between Key West and Havana, a good-weather route where it competed against an opponent it had a chance of beating, the steamship.

Having given the necessary push to get the airlines literally off the ground, the government did little more. When the ancestor of TWA, TAT, pioneered coast-to-coast air/rail service in 1929, it had to build its own landing fields and terminals west of Wichita. Passenger planes then did not fly at night. When the first two TAT Ford trimotors inaugurated regular service, 5,000 people in Port Columbus, Ohio, turned out in the rain to watch nineteen passengers walk from train to planes. The first leg of the return journey was piloted by Lindbergh himself (TAT was called "The Lindbergh Line," and Amelia Earhart was also employed by the company for promotional purposes), but not before Gloria Swanson and Mary Pickford christened the plane. The one-way ticket price was between \$337 and \$403. To give an example of how much this was in 1929 dollars, a stuntman in the 1920s charged only \$1,500 for blowing up his plane in midair and then parachuting, and a crash was a bargain at \$1,200. Half the passengers became airsick (fortunately in those days airplane windows opened), and many blacked out from oxygen deficiency when the planes crossed the Rocky Mountains. When everything worked, the trip took 48 hours. No wonder many people thought TAT, which actually stood for Transcontinental Air Transport, really meant "Take a Train."¹¹ No wonder airlines preferred to fly the mail, which was profitable and never complained, threw up, or passed out.

On far different grounds, one compelling voice did complain about America's air transport system, Herbert Hoover's Postmaster General, Walter Folger Brown. As early as 1929, America was the world's leader in commercial aviation, and both Hoover and Brown were intent on rationalizing the crazy-quilt national air network, and stimulating passenger traffic. It was, in fact, part of Brown's job to encourage commercial aviation, and he moved like a steamroller to do so. He designed an amendment to the Kelly Act (this called the Watres Act) that sailed through Congress in late April, 1930. The underlying purpose of the bill was to force consolidation of small companies into large ones able to fly coast-to-coast, and to choke off the remaining small companies by drastically cutting their air mail subsidies. No monopolist, he saw cor-

rectly that the public would be better served by competition among several strong national airlines rather than a ragtag assemblage of small ones. Just sixteen days after the Watres Act passed, the so-called "Spoils Conferences" began, in which the prize long-distance mail routes were awarded, and much of America's commercial aviation future decided. Small or new companies had virtually no chance to compete against Brown's wishes, especially given the impossibly short notice for bids to be submitted, and the Watres Act's provision for protecting pioneering airlines. Brown was no hero to the established airlines already carrying the mail, either. Airlines seem to inspire in their organizers and employees the same loyalty and emotionalism as do some universities, and most simply did not want to merge with competitors. In addition, Brown cut their air mail revenue to force them to turn-to passengers in order to make up the loss.

Four major air mail routes were granted at the Spoils Conferences, and the companies that won the plums constituted the Big Four of domestic airlines for commercial aviation's formative years: TWA, American, United, and Eastern. By using its economic muscle, the government was able to forge a modern and efficient route structure operated by private and competing airlines.¹²

Overseas, the matter was entirely different. Most Washington administrations were content to have Trippe's Pan Am represent U.S. interests abroad, and as America's only international airline until the mid-40s, it became the country's unofficial flag-carrier. Though government was never entirely comfortable with Trippe and his monopoly, one suspects the politicians and bureaucrats preferred to do business with the devil they knew, and besides, it was easier to keep an eye on one international carrier rather than several. Abroad, Pan Am became an informal foreign ministry with Trippe as its ambassador. It was a distinction he fought for fiercely and with unparalleled success, since his ambition was always that Pan Am should be "the chosen instrument" of the American government in international aviation. As early as 1929, Trippe had his advertising agency create the impression that Pan Am was a quasi-governmental company, and in fact it was, though hardly as the public perceived it to be.

The interests of the State Department and the Foreign Service on one hand and those of Pan Am on the other were usually seen to be synonymous. Personnel from these overseas government branches were frequently used as errand boys for Pan Am,¹³ while the airline was implicitly charged with extending America's influence wherever planes could fly. In 1987, airlines have a glut of aircraft in search of destinations. In America in 1937, the situation was the reverse; only a quarter of municipal airports had scheduled services.¹⁴ Trippe's situation in the mid-1930s combined the worst elements of both examples. Usually

he had no destinations requesting service, no landing rights until he negotiated them, no facilities until he built them, no long-range planes to cross oceans nonstop, and no reliable overwater navigation system. His method was to attack all these problems simultaneously, ordering planes, facilities, and navigational equipment even as he was maneuvering with foreign governments and his own. That he was able to do so much so quickly is splendid testimony to his two major talents: truly visionary foresight and magnificent negotiating skill. He used both to earn government favoritism and engage in sometimes ruthless government-supported predatory actions, winning quick approval of his requests in Washington and enjoying quiet and unofficial U.S. support abroad.

Trippe expanded Pan Am first through the Caribbean and Central America and then along the coasts of South America. Then, in the 1930s, he led his airline in daring leaps across the world's oceans. First he bridged the North Pacific by creating bases at Honolulu, Midway, Wake, Guam, Manila, and finally Hong Kong. With expansionist plans of their own, the Japanese saw Pan Am's ever-stretching route network as a provocative threat to their own ambitions. The American government was happy to maintain an ostensibly neutral stance while allowing a private company to build island facilities that could be transformed into island bases when the need arose.

Trippe invented Wake Island. He was desperate for a landing area between Midway and Guam. His flying boats could just make the 2,400 miles between the West Coast and Hawaii; the 3,000 miles between Midway and Guam was too far – farther in fact than it was across the North Atlantic, which, because of distance as well as politics, made it the last major oceanic route to be established, in 1939. Trippe went to the New York Public Library on 42nd Street and searched maps futilely, until, in the logs of nineteenth century clipper captains, he found Wake Island mentioned.¹⁵ Although America had annexed Wake in 1889, when Trippe went to Washington he could find no agency responsible for it. Since it was a tiny, uninhabited, shadeless, and waterless atoll that stood only a dozen feet above high tide, there had been nothing to be responsible for.¹⁶ But Trippe saw that it had just what his flying boats needed: a sheltered lagoon and a little land in just the right place in an otherwise empty sea. A ship carried American workers to Wake with all the supplies they would need for a year, coral heads were blasted, a prefabricated village erected, and the first passengers arrived in 1935 aboard the *China Clipper* to find a comfortable hotel manned by white-jacketed stewards, electricity, and hot water in the baths. As well as establishing bases for his flying boats, Trippe created targets for the Japanese in 1941, who struck at Wake and Midway just hours after hitting Pearl Harbor.

From 1939 onward the government was seriously concerned about the Axis attacking the Panama Canal or even America itself through South and Central America. Only 1,900 miles separated enemy-dominated Africa from Brazil, and millions of first- and second-generation Italians and Germans lived in South America. The Colombian airline, SCADTA, seemed a particular threat, both because it operated within a few hours' flying time of the canal, and because its pilots were German or even Luftwaffe-trained. The airline's formal name itself indicates the close connection: Sociedad Colombo-Alemana de Transportes Aéreos, and its working language was not Spanish but German. The American government turned to Trippe and asked if he could find a way to oust the Germans from SCADTA. What the government did not know at the time was that SCADTA was secretly owned by Pan American. This is eminently characteristic of Trippe; he was a secretive man, and he constantly sought control of foreign airlines for the good of Pan Am. Acting under heavy government pressure, Trippe secretly ferried replacement American crews and managers to Colombia, and then when all was in place, had the Germans fired en masse.¹⁷

Soon after, Trippe was asked by Franklin Roosevelt to do a much larger job. The government required a string of aircraft bases in Latin America, but as a non-belligerent in 1939, it could hardly claim military necessity in negotiations with twenty different Latin nations, some with Axis sympathies, for permission to build the bases. Many New Dealers, led by Roosevelt himself and by Assistant Secretary of State Adolph A. Berle, Jr., were actually Trippe's adversaries¹ and wanted Pan Am's power reduced, but in this case as in so many others, they had no choice. Roosevelt had to plead with Trippe for construction of 25 land bases, nine seaplane bases – 52 projects in all – to be built by Pan Am and ostensibly for Pan Am's use, but with government funds and actually for future military use. For the government it meant using Pan Am's expertise in Latin America, as well as using Pan Am as a convenient front. For Pan Am, it meant extending their monopoly, and having U.S. government-financed facilities abroad for Pan Am's exclusive use when the war ended.

Another foreign airline Pan Am owned was the China National Aviation Corporation. It was always a ragged airline (even its inaugural flight crashed!), but it served a need for China that was met in no other way, and, not incidentally, it was always very profitable for its parent, Pan Am. Through the skill and devotion of its manager, William L. Bond, CNAC kept flying throughout the war, its route constantly constricting as the Japanese conquered more cities. Finally, CNAC was the Nationalist government's only link with the outside world, flying from Hong Kong through Canton to the wartime capital of Chungking. To avoid Japanese fighters, CNAC could not announce departure times,

and flew only at night, with no weather reports and with no ground navigation signals. When a CNAC plane became history's first commercial transport to be shot down by hostile aircraft, the plane was hauled out of the river, rebuilt, and flown again. When a DC-3 had a wing shot off, a DC-2's wing was grafted on in its place, and the world's only DC-2½ was born.

China trusted Pan American more than it did the American ambassador, and so when Trippe visited Chiang Kai-shek in 1947, the Generalissimo gave him a secret plan to save China that Trippe was supposed to carry directly to President Harry Truman. Trippe conferred first with General Douglas MacArthur in Tokyo, then with Secretary of State George C. Marshall, and finally with Truman himself, who was so suspicious of Chiang by that time that nothing came of the secret scheme.¹⁹

There was a single notable exception when the government tried to take business from the airlines. When the Roosevelt Democrats swept into power, they took a hard look at the awards made during the Spoils Conferences. An investigation headed by Senator Hugo Black of Alabama found that Postmaster Brown's competitive bidding system had been certainly unfair and probably illegal, and that some airlines and their stockholders had profited handsomely because of favoritism. In February, 1934, Roosevelt cancelled all air mail contracts and assigned the Army the task of transporting the mail, a task it did not want. At this time, 60% of the airlines' income was derived from carrying air mail. Roosevelt's action was at worst a death threat to the airlines, and at best a serious reversal for commercial aviation. Lindbergh railed, *Fortune* magazine screamed, Rickenbacker dourly predicted disaster, and TWA furloughed its entire airline. Rickenbacker was right; the Army, inexperienced and given little chance to prove itself, was not up to the job. Ten pilots died during the experiment, four while actually flying the mail, six others in related incidents. Roosevelt was forced to suspend air mail service for a week while the Army tried to recover. It was shown that it cost the Army \$2.21 a pound to deliver the mail, while it cost the airlines only 54 cents a pound, although the Army covered little more than half the airlines' air mail mileage.

Finally, for practical and political reasons, Roosevelt had to retreat. A new law was rushed through, the Air Mail Act of 1934, and competitive bidding for air mail routes was re-opened. One stipulation of the new law was that no participant in the 1930 Spoils Conferences could bid again, but that was only a bit of window dressing. It was made clear that the original airlines simply had to incorporate under new names to join the competition, and that is how American Airways became American Airlines, United Aircraft & Transport became United Air Lines, and so forth. When the new routes were awarded (once again at slightly reduced

rates), they looked very much like the old routes, usually with the same companies flying to the same destinations. By early June, the airlines were flying the mail again. The only permanent change brought about by the whole affair was that airplane manufacturers were permanently separated from airline companies. The government had certainly learned of wrongdoing in the airlines and in government, and it had also learned that private companies could do the job faster, cheaper, and safer. Judging from Washington's reluctance in the intervening half-century to tamper further with the airlines' prerogatives, it was a lesson not forgotten.²⁰

Probably the best example of this came right after Pearl Harbor when Roosevelt was about to nationalize the airlines for the duration of the war. He was quickly persuaded by the president of the Air Transport Association that the airlines already had a volunteer mobilization plan, and that it would be more effective to allow the companies to operate their own aircraft for the government.

Even during the war, debate began on what course the world's airlines should take in the postwar period, when planes would have, dramatically increased their range. The question was simply put: should the skies be as free as the seas, or should every country guard its aerial borders zealously, protecting the monopoly of their own national airlines? Wendell Wilkie flew around the world and then published *One World* in 1943. Roosevelt's Vice-president, Henry Wallace, suggested the United Nations be responsible for an open skies policy through its own "air arm." It was reminiscent of a proposal made in 1929 that the League of Nations maintain the "Silver Wings of Peace," which would drop conciliatory leaflets on contentious nations (and then bomb them if they did not pay proper attention).²¹ All this was too much for free enterprise Republicans like the Pan Am staff and a new member of the House of Representatives, Clare Boothe Luce. She devoted her maiden speech in the House to denouncing Wallace's global thinking as "globaloney." She stood foursquare for national capitalism, with government protection from competition, especially foreign competition. Trippe and Sam Pryor, one of Pan Am's ranking officials, had tutored her at length before the speech.²²

Today, almost all nations agree with Mrs. Luce's view. The evidence is everywhere, and it has names like SAS, Lufthansa, Japan Air Lines, and Air France. These airlines, in fact virtually all the world's airlines, serve nations that favor air transport monopolies. They are protected by their own trade organization whose rules have the force of a multilateral treaty, the International Air Transport Association, or IATA. IATA is an international regulatory body that fixes fares, specifies what passenger amenities are allowed in which classes (for example, who pays for headsets and who does not), and controls traffic so that all carriers have

a chance to make a profit, whether they deserve to or not. While 35 airlines have refused to join the tariff setting branch of IATA, among them Singapore Airlines and Aeroflot, 85 others meet regularly to exercise what IATA terms "tariff coordination." IATA unites about 120 airlines employing close to a million people into a giant cartel. It makes international air transport one of the most regulated and one of the least competitive industries in the world.

An exception to that statement is the route between Europe and America, because in recent years, America's airlines, reflecting government policies and the economic reality of over-capacity, have become mavericks, forcing reduced fares over the North Atlantic. In 1974, Washington refused Laker a licence to operate in the U.S. In 1977, under the new Carter administration's program to deregulate America and encourage competition, Laker was welcomed. Laker's Skytrain service soon became the sixth-largest airline over the Atlantic. Later, after collusion among major North Atlantic carriers helped force Laker out of business, an anti-trust suit brought by Laker was successful. Several airlines had to indemnify Laker directly, and in 1986, three (British Airways, TWA, and Pan Am) had to offer certain of their 1982-1984 passengers \$30,000,000 in travel coupons to compensate for their predatory acts.

The 1977 Laker ruling was only a portent of the radical change that was to come. In 1978, Jimmy Carter followed the traditional Democratic tendency of fostering airline competition by sponsoring the landmark Airline Deregulation Act. In the words of John Newhouse, author of *The Sporty Game*, "Congress, in deregulating the airline industry, accepted the proposition that it resembles a universe of corner grocery stores more than it does a public utility."²³ Airlines were perceived to be offering almost the same product, with identical planes flying identical routes, leading to a purity of competition that the government wanted judged in the only remaining sensible terms, price and service.

Deregulation means that fares can follow the market as competition and traffic patterns dictate, or there can be no fare at all, as happened when the late Air Florida ran a promotion giving seats away for a kiss. It also means that routes can be initiated or terminated at an airline's discretion, without prior approval of the Civil Aeronautics Board. Indeed, the Deregulation Act legislated the CAB out of existence on January 1, 1985. Airline deregulation has changed not only America's airlines, but travel patterns in America, and hence America itself.

Passengers experienced two dramatic changes because of deregulation. First, fares generally decreased on densely travelled, long-distance routes, but rose on shorter, less profitable segments. This continues the American pattern whereby it is easier and perhaps more attractive to live in large cities as distance becomes measured not by

miles or time, but by convenience, and, especially, money. Second, after an initial period when new airlines blossomed like flowers in the spring, today airline consolidation so steadily reduces the number of carriers that an oligopoly is threatened. Thus, the government intervention of Postmaster Brown and the government permissiveness of the Carter and Reagan years could lead to the same result: the establishment of something like the dominant Big Four airlines of half a century ago.

In his book of the same name, Joseph J. Corn brilliantly delineates "the winged gospel," which was the belief in the first half of this century that the airplane would be a major instrument of beneficial social change in America, a mechanical Messiah of the air. The airplane was associated with omnipotence and immortality, so that the winged gospel often sounds like the Christian gospel which prefigured it. The sordid earth would be left below, and man would be morally and even artistically inspired and improved by his first view from the heavens. The plane would promote peace by bringing people closer together, and if that did not work, it would be a deterrent to war. It would earn for humanity freedom from oppressors, especially those who ran governments and railroads. Discrimination, especially against women, would be ended. Humans would even be healthier as the new "air type" developed, led by "the winged superchildren of tomorrow." In 1929 in Miami, an expectant mother who went into labor rushed not to the hospital but to the airport so she could give birth at 1,200 feet. The infant was named "Aerogene." Privilege would be eliminated, as, for example, when jockeys raced planes instead of horses and everyone could watch the fun for nothing. It was all very earnest and idealistic, and especially in retrospect, pretty silly.²⁴

What was not silly was the cornerstone of the winged gospel, which prophesied that airplanes would lead to a more democratic society, that everyone would fly. Today, everybody who wants to does, and that simple fact is transforming American society. In the postwar period, and especially since the jet age began in late 1958, America has entered her maturity in commercial aviation. The point of the airplane is to move people and goods, and today that is being done cheaper, faster, safer, and more competitively than ever before. The winged gospel was wrong because it saw private planes as its basis. While the government had only moderate interest in private aviation, it saw the necessity for strong domestic and international airlines that served national goals within an ever-shifting, yet subtly directed, ostensibly laissez faire framework. Recent history shows that America's airlines are the realistic realization of the modern winged gospel, which demands that commercial air transport serve the national purpose within a traditional American economic and political paradigm.

NOTES

1. Joseph J. Corn, *The Winged Gospel: America's Romance with Aviation, 1900–1950* (New York: Oxford Univ. Press, 1983), p. 110.
2. John Newhouse, *The Sporty Game* (New York: Alfred A. Knopf, 1982), p. 195.
3. Anthony Sampson, *Empires of the Sky: The Politics, Contests, and Cartels of World Airlines* (London: Hodder and Stoughton, 1984), p. 85.
4. Newhouse, p. 5.
5. Sampson, p. 135.
6. Newhouse, p. 73.
7. Robert Daley, *An American Saga: Juan Trippe and His Pan Am Empire* (New York: Random House, 1980), p. 9.
8. David D. Lee, "Herbert Hoover and the Development of Commercial Aviation," *Business History Review*, 58 (Spring 1984), 78–102.
9. Edward V. Rickenbacker, *Rickenbacker*, (Englewood Cliffs: Prentice-Hall, Inc., 1967), p. 176. As Rickenbacker writes on the same page, "The system was working well until one of the agents took a day off. His assistant, charged with the duty of mailing a brick but uninstructed on the complete details, simply tied a label with stamps onto a bare brick. A postal inspector spotted it and asked questions, and that was the end of Florida Airways' airmail-augmentation program." Before hitting on the idea of sending bricks, agents would mail each other soaked blotters, which yielded a 50% profit.
10. Marilyn Bender and Selig Altschul, *The Chosen Instrument: Pan Am [and] Juan Trippe—the Rise and Fall of an American Entrepreneur* (New York: Simon and Schuster, 1982), p. 15.
11. Most of the material in this paragraph is from Robert Serling, *Howard Hughes' Airline: An Informal History of TWA* (New York: St. Martin's/Marek, 1983), pp. 11–20.
12. The "Spoils Conferences" episode is related in many sources, but, as usual, for the best short account see R[onald] E. G. Davies, *Airlines of the United States since 1914* (London: Putman, 1972), pp. 110–117, and for perceptive remarks about the affair, see Serling, pp. 15–16.
13. Bender, p. 125.
14. Serling, p. 66.
15. Daley, p. 108.
16. Daley, p. 137.
17. For two clear accounts of the SCADTA matter, see Bender, pp. 307–317, and Daley, pp. 291–301. Pilot and novelist Ernest K. Gann agrees with the judgment that the Germans were a genuine threat in *Fate Is the Hunter* (New York: Simon and Schuster, 1961), p. 117. For a lively account of what it was like to ferry planes in South America to new operators who were replacing the Germans, see the chapter entitled "Gypsies" in this biography, pp. 116–152.
18. Even as he asked Trippe to build the Latin American bases, Roosevelt was signing a rival's permit to fly to Lisbon, threatening Pan Am with the loss of part of its overseas monopoly.
19. For the fullest account of the China adventures, see Daley, pp. 281–290 and 386–395.
20. The most useful interpretations of this air mail award shuffle will be found in Serling, pp. 38–46, and Davies, pp. 154–164.
21. Corn, p. 59.
22. Bender, p. 375.
23. P. 76.
24. The information in this paragraph is drawn from Corn, pp. 29–50. For an especially useful summary of the winged gospel, see p. 135. Specifically, for "winged super-children" see p. 113, for Aerogene see p. 56, and for airplane jockeys see p. 34.