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Even Forbes Tells the Trump Administration to Hit the Brakes on the Hyperbole of Air Traffic Control Privatization

Dear Colleague:

It's no secret that some advocates of privatizing the Nation's air traffic control (ATC) system have begun to rely on myths, fallacies, and "alternative facts".

They say airline flights don't use the modern global positioning system (GPS) and instead bounce from radio beacon to radio beacon. Not true. They think breaking up the Federal Aviation Administration (FAA) would speed up modernization projects. Not likely.

We've publicly called out these mythmakers and storytellers in recent letters to the Wall Street Journal and the [Washington Post](#).

And now, we're pleased to see that we're not alone. Even Forbes contributor Dan Reed, a longtime proponent of privatizing the FAA's ATC system, wrote [a provocative Forbes article](#) taking issue with the hyperbole and misstatements of Gary Cohn, Director of the National Economic Council, and would-be architect of ATC privatization in the White House.

"Not only did Cohn go way out on that thin limb" when talking up ATC privatization in a recent panel discussion, Reed writes, "he took a saw with him— and began cutting." Reed's Forbes piece proceeds to address some of Cohn's more patently absurd and false statements, including the ludicrous claim that we've ceded, to Canada, control over certain Atlantic and Pacific airspace— airspace we never controlled in the first place.

Equally unsupportable is Cohn's claim that privatization will "cut flight times fairly dramatically." As Reed notes, "[o]nly airlines can make their planes back off their gates in the right order and at the right times in order to reduce congestion And only airlines can schedule their flights in such a way that they're neither delay prone nor excessively long." In fact, as we've

previously pointed out, airline-caused flight delays outnumber ATC-caused delays by more than two to one, according to the [U.S. Bureau of Transportation Statistics](#).

We strongly commend Reed's op-ed to you. It debunks some of the more outrageous and unsupportable myths we've seen about ATC privatization. If you have any questions, please feel free to contact us or Alex Burkett, Democratic Staff Director of the Subcommittee on Aviation, at alex.burkett@mail.house.gov or ext. 5-9161.

Sincerely,



PETER DeFAZIO
Ranking Member
Committee on Transportation and Infrastructure



RICK LARSEN
Ranking Member
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The White House's Hyping Of Air Traffic Control Privatization & Modernization Hurts The Cause

Dan Reed, Contributor

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It's an old joke that the nine most frightening words in the American vocabulary are: "I'm from the government and I'm here to help."

One appreciates the sentiment, sure. But we long-suffering supporters of the idea of spinning off of the nation's Air Traffic Control Organization from the Federal Aviation Administration as a quasi-independent non-profit/non-government entity should be a bit concerned that the new "it" boy on President Donald Trump's team, chief economic adviser, Gary Cohn, is boisterously over-selling the Administration's still-fuzzy plan to do just that.

Earlier this month, at a White House town hall-style gathering with chief executives of some of the nation's biggest and most prestigious companies, Cohn was way more than enthusiastic about taking the federal bureaucratic shackles off this nation's ATC system. He went over-the-top in extolling what will be the results of a future ATC organization that would operate independently from both the FAA's sclerotic, bureaucratic management and the crippling limitations of the annual Congressional budget process.

As a 30-year supporter of the privatization/corporatization/emancipation of the Air Traffic Control from the FAA and the federal budget, I was happily shocked to hear such vocal and strong support for the idea from someone within the White House. Since I first caught wind of the concept way back during the George H.W. Bush administration, I'd never heard anything more than a quiet acknowledgement by a second- or third-tier player at the Department of Transportation that the big bosses at 1600 Pennsylvania were intrigued by the idea. No senior person in the Bush (the elder), Clinton, Bush (the younger) or Obama administrations was ever willing to take more than one step out onto a low, thick limb in support of the idea.

Cohn, on the other hand, walked way, way out on a higher, much thinner limb to promote ATC independence.

He appeared on a panel with DOT Secretary Elaine Chao, who appears to be a more cautious supporter of ATC privatization. They were discussing the broader topic of the Trump Administration's big plans for big, trans-formative infrastructure projects, especially in the transportation sector. That's when Cohn went off like a rocket.

"Air traffic control is probably the single most exciting thing we can do, for a lot of reasons" he declared, rising a bit out of his seat to emphasize his enthusiasm for the notion.

But what should have been a gratifying moment for ATC privatization supporters quickly became a concerning one. Not only did Cohn go way out on that thin limb, he took a saw with him – and began cutting. He did so by adding:

- “No. 1, everyone else has done it, so we know it’s relatively easy to do. Which is kind of insulting that we’re the last to do air traffic control, not the first to do air traffic control. A country that has Silicon Valley and all of the technology entrepreneurs that we have, we’re playing catch up. That’s embarrassing for us.”
- “We’ve lost control of the skies over the Atlantic and Pacific oceans to Canada because Canada has adapted a GPS-based air traffic control system 10 years or 20 years before we did in the United States. And pilots would much prefer to use a GPS-based than a land-based radar system.
- “We have a land-based radar system in the United States. We have not updated to a GPS system in the United States.
- “No. 2, It effects every state in the country, multiple times. We have multiple air traffic control systems in multiple states all over the country. So this is a project that touches every part of the country.
- “No. 3, everyone in the United States is affected, whether you fly or not. If you fly, we are going to cut flight times down fairly dramatically. We’re going to cut the experience down. We’re going to cut tarmac time down. We’re going to go direct point-to-point. For those of you who live in New York... I know you have noticed that when you fly from Boston to New York you fly farther west than you fly south... When you go to GPS air traffic control you can fly point to point. And the way we fly now is we fly at certain elevations; you’re plane will drop from 20,000 (feet) to 15,000, to 10,000. With GPS you do continuous descent and continuous rise.
- “What does that mean? It means we’ll save over 25% of the jet fuel that we consume in this country. If you can save 25% of the jet fuel we use in this country it means we’ll consume less oil. It means consumers will pay less for oil wherever they consume it. If they consume it as gasoline, if they consume it as home heating oil, it doesn’t matter. Consumers win.
- “And this is a project so interesting and enticing that the unions support doing it.”

There’s all kinds of hyperbole in there. And it potentially is very unhelpful hyperbole that could come back to bite supporters of ATC privatization during what promises to be a difficult fight to get enabling legislation through Congress. Many previous such efforts, some of which backers thought had a real chance at passage, have failed. None has even made it to a floor vote.

So yes, the strong emotional support and enthusiasm from someone so close to the President – any President – is a godsend to us long-time supporters of ATC privatization. And we certainly understand that when pitching any dramatic departure from the status quo, those doing the pitching must paint a bold picture of what the benefits of such a change will be.

But unrealistically overstating those benefits and raising expectations to unreasonable heights is a very risky and wrong-headed strategy. Even when the stakes are high – and in this matter the stakes

are in the hundreds of billions of dollars of economic activity over 10 years – it always is wiser to under-promise and over-deliver than to over-promise and risk having your arguments shot down by your opponents using ammunition you delivered to them for free.

It's not possible in the space available here to pour cold water on each of Cohn's well-intentioned but worrisome overstatements, but let me take a crack at a few of the bigger ones:

- Yes, many nations have privatized their air traffic control systems, releasing them from government micromanagement and budgetary restraints. But many nations (including most of Europe), have not. That's because, opposite of what Cohn said, it's not easy; not easy at all. There's lots of political pork associated with this nation's ATC system today. We have more physical facilities than necessary, and not all of them are situated optimally. So some Members of Congress are going to have to be convinced that voting for a bill that likely will result in a loss of high paying government jobs in their district is a good thing. That's a tough sell.
- Yes, it's a bit embarrassing that the nation that is the world's technology and aviation leader needs to play catch up in the area of ATC systems deployment. But countries that have deployed 21st century ATC systems are, for the most part, using technologies developed in, and in many cases, hardware and software manufactured in the United States. There is no national ATC technology gap; just a gap in the willingness to upset the political apple cart.
- No, we've not lost control of the skies over the Pacific and Atlantic to Canada. For one, we never had control of them in the first place. And two, transoceanic flights are not "controlled" by NavCanada, Canada's independent ATC organization. Such flights periodically communicate via satellite or by high frequency radio with various national ATC systems (including NavCanada), with other planes flying nearby, and with their own corporate dispatchers. And most aircraft on international flights can be and are tracked by satellites using GPS technology (and indeed, NavCanada does its share of that). But mere GPS tracking is not quite the same thing as "controlling" a flight. Satellite-based navigation systems, including GPS, are important features of future ATC systems in this country and elsewhere, but they are not a be-all, end-all solution. Ground-based radar systems will continue to be used around the globe for decades to come, if only as a backup system for when satellite transmissions are interrupted (as they sometimes are).
- No, there are not "multiple ATC systems in multiple states all over the country." There's just one, run by the FAA. It's limited by the Congressional budget process from doing the kind of long-term infrastructure financing that would make it possible for an independently-operated ATC system to be modernized more quickly, more efficiently and at lower cost – and with the newest technology available – than would be the case if ATC modernization remained in the hands of Congress and the FAA. That's the

biggest selling point for ATC privatization. But Cohn got trapped by his own hyperbole and failed to make that point.

- No, going to a modernized, satellite-based ATC system domestically, whether it's based on GPS or other technology platforms, will not "cut flight times fairly dramatically." Today's radar-based ATC technology is not the primary reason airline flight times are significantly longer than they were 20, 30 or even 50 years ago. At best, our current dependency on radar tracking is a very distant No. 2 reason for longer flight times. The biggest factor, by far, is airlines' own operational inefficiencies. Until airline managements decide to take responsibility for controlling the times and the order in which their planes are handed off to Air Traffic Controllers, little will change in terms of flight times. It is not controllers' job to get planes to their destinations on time, but just to get them there safely. Scheduling flights and operating them on time is the airlines' job. The best satellite-based technology in the world still can't squeeze 40 or 50 takeoffs out of Chicago O'Hare Airport's five runways in a five minute window. Only airlines can make their planes back off their gates in the right order and at the right times in order to reduce congestion on airport aprons and taxiways. And only airlines can schedule their flights in such a way that they're neither delay prone nor excessively long.
- Yes, satellite-based ATC systems will reduce the need for circuitous routings. But satellite-based control won't remove all other planes from the sky. Controllers still will need to space planes far enough apart laterally and vertically to keep them from playing a deadly game of bumper cars in the sky. Satellite-based systems are more accurate than radar, allowing aircraft separation distances to be narrowed and more planes to operate within any given three dimensional box of airspace. And on longer routes, satellite based systems will allow planes to operate in "free flight" mode rather than following set "highways in the sky" that correspond to where ground radar tracking stations are located. That will shave time and gallons of fuel out flight operations. But Cohn's explanation overstates reality.
- And no, savings of 25% on annual jet fuel burn rates is probably a fantasy. Airline managers break into their happy dances when a new plane joining the fleet produces a 5% annual fuel burn savings over the aircraft it replaces. To get a net 25% fuel burn savings, every plane in every fleet would have to be replaced virtually overnight, and every one of them would have to fly only long-haul routes. Unfortunately 75% to 80% of all flights are on short- and medium-haul routes because that's where people most need or want to fly. Planes are pretty efficient these days during the cruise phase of flight, but they still really suck down the gas during the takeoff, initial climb and landing phases.
- And, finally, yes, all consumers *should* feel the impact of any fuel savings resulting from shifting to a satellite-based ATC system. But airlines could choose to pocket those savings rather than use them to support fare cuts. Or

oil prices globally could rise, meaning we might never really “feel” the impact of any ATC system-driven fuel savings.

Now I hope my fellow ATC privatization supporters don't blast me for publicly scolding a senior White House official who publicly and enthusiastically supports *our* cause. Noting here the errors in Cohn's hyperbolic support of ATC privatization is *not* giving away the game before play even begins in Congress.

But if a simple journalist, albeit one who's been covering the airline business for 35 years, can spot these blue sky predictions for what they are isn't it reasonable to expect that a savvy K Street lobbyist or spinmeister working for those opposed to ATC privatization could too? Isn't it likely that a veteran Senator or Congressman who wants to keep federal money flowing to the ATC facilities in his state or her district will be able to spot Cohn's exaggerations and use them against the cause?

That's why it is important that those who support ATC privatization and rapid modernization – including those in the White House – accurately describe the many significant economic and lifestyle benefits such a change will bring the nation. The task ahead will be difficult. And any indefensible hyperbole tossed around carelessly now can, and will be used against *us* later.