Airline threats will not work

Written by Taipei Times Editorial Sunday, 06 May 2018 05:47

The US Department of State on April 27 rebuked Beijing for the threats it made to two US airlines over the way they list Taiwan on their Web sites, saying: "We object to Beijing dictating how US firms, including airlines, organize their Web sites for ease of consumer use."

China also threatened to hack the Web sites if the airlines failed to make the changes, but the department urged the airlines not to comply.

As of press time last night, neither United Airlines nor American Airlines have made changes to their Web sites. Australia's Qantas Airways has also not changed its site, despite earlier promises to do so.

China has traditionally forced companies operating there to comply with their position on Taiwan in exchange for access to the Chinese market. With airlines, which cannot simply overlook geographical realities for ideologies, this strategy cannot work.

While some companies might be willing to sacrifice Taiwanese customers for Chinese ones, an airline flying to Taiwan is not only serving Taiwanese passengers, but also people from around the world who are flying to and from Taiwan.

People worldwide are aware that Taiwan is not part of the People's Republic of China. When they are looking to fly to Taiwan, if they do not see it listed as a country option, it is not improbable that they would assume the airline does not fly here, rather than looking for Taipei under the site's section for Chinese airports. This would mean lost revenue if passengers use competing carriers.

Airlines of course would not want to be barred from operating in China, but if that is the consequence of non-compliance, it would likely not have a large effect on the airlines' revenues.

On a list of the 10 busiest airports in the world in terms of total passenger numbers published

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last year by the Telegraph, only one is in China: Beijing Capital International Airport, which serves about 90 million passengers annually. Four of the airports are in the US, including No. 1, Hartsfield-Jackson Atlanta International Airport, which is used by about 100 million passengers per year.

A US airline could easily be kept busy with its domestic flights alone. United Airlines flies to all 10 of the world's busiest airports and more through its partnerships with other international carriers. The company is therefore not likely to be very hurt by the loss of Beijing as a destination.

It would also set a dangerous precedent if China were to be allowed to dictate the terms of international aviation practice. Aviation safety would be at risk, as is evidenced by China's unilateral activation of new flight routes near the median of the Taiwan Strait earlier this year.

US President Donald Trump's administration has shown it is losing patience with China's incessant unilateral decisionmaking on issues that affect other nations.

The department's statement is just one in a series of moves by Washington. Trump in March signed off on the Taiwan Travel Act, ignoring China's threats, and the two nations are on the brink of a trade war.

Last week, a New York Times article said that US officials were considering restricting Chinese citizens from performing sensitive research at US universities and research institutes. The proposal comes amid growing concern over Chinese theft of US research and technology, particularly with regard to military applications.

Moving forward, it will be of growing importance for companies to refuse to comply with Chinese demands, such as compliance on the Taiwan issue and providing access to patented technologies and customer information.

As China becomes a less attractive place to do business and as more companies decide to leave the Chinese market, Beijing will be forced to soften its stance or risk isolation.

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