

carriers carry sixth freedom traffic via their third and fourth freedom rights.¹¹ Seventh freedom rights are rare, and where they exist, are usually artifacts of the early years of air transport when many countries did not have their own carriers. Cabotage (8th and 9th freedom) rights are almost non-existent at present.

ICAO. In 1944, the Chicago Convention created the International Civil Aviation Organization (ICAO). It was established in its present form in 1947, to carry out highly specialized work in the technical, economic, legal and administrative fields of air transportation. The stated objectives of ICAO are to develop the principles and techniques of international air navigation and to foster the planning and development of international air transport. ICAO has never become involved in the economic regulation of aviation.

ICAO is a specialized agency attached to the United Nations. Since 1947, it has grown from 26 Member States to 163 in 1990.

Every three years the Assembly elects a Governing Council to provide continuing policy and financial direction, and to adopt standards and recommend practices to the Member States. Members then signal their adoption of the proposed standards or practices by becoming signatories.

¹¹ Thus, Canada has not negotiated with Japan and Chile to allow its carrier, Canadian Airlines International Limited, to carry traffic from Japan to Chile. CAI does so by using its fourth freedom rights from Japan to Canada and its third freedom rights to carry traffic from Canada to Chile. In markets with no direct services (such as Japan-Chile), such tacit sixth freedom operations are usually not contested. In markets (such as the U.K.-Italy) with direct services, sixth freedom operators (for example, KLM of the Netherlands) are allowed to carry a small portion of the traffic (10-20%) without contest, but beyond these "understood" market shares, their right to carry the traffic would probably be contested.