Three separate subsidized national air services operated between Europe and the Far East when one single service of adequate frequency and capacity would have been just as effective and very much cheaper. On the south transatlantic route where even one good air service would have required a subsidy, three nations competed at great expense to their taxpayers and it was constantly being urged that the United Kingdom should add a fourth national service which would undoubtedly have entailed the need of an annual subsidy of the order of \$2,500,000. The north transatlantic route is potentially the richest in the world but it is doubtful whether, under the pre-war system, it would have operated to any country's profit since no less than six European nations as well as two United States air transport companies were planning to compete for the spoils.

The pre-war system of mistrustful and hard international bargaining over the establishment of international air routes was based on the legal doctrine that each nation owned the air above its territory. The consent to cross any nation's territory was normally made conditional upon the grant of reciprocal concessions or, if no such concession was required at the moment, then upon the grant of some favour entirely unconnected with air transport. Concessions by one country to another were sometimes refused at the secret instigation of a third country. Occasionally the air line of one nationality was no more than the cloaked economic or military penetration of another. Many costly detours were made necessary by the refusal of a country to permit an air line to cross its territory, or by the extortionate demands of a country over which transit rights were desired. The freedom of international flight in Europe was being increasingly hampered before the war by the creation on grounds of military security of mere and more prohibited areas and closed frontiers.

Though national prestige was one reason why countries wanted to establish strong international air lines, the basic motive was military security. A civil air transport fleet represents a valuable war potential as an ancillary to a military air force and as a reserve of highly trained personnel. It is to a military air force what the merchant marine is to the navy.

In proportion as any disarmament of military aviation becomes effective the potential menace of an air transport fleet increases.

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