Mobility and Democracy

TRIBÜNE Conversation with Wolfgang Mayrhuber, Chairman and Chief Executive Officer. Deutsche Lufthansa AG

TRIBÜNE: Since the second intifada, the Palestinian uprising, nerves are raw — not only among Israelis, but also among your employees in Israel. Tourism and all the branches of industry associated with it are showing huge losses — that was arguably one of the Palestinians' aims.

MAYRHUBER: Certainly the second intifada has hit the entire country hard, especially the tourist industry. Israel is a delightful country. The culture, the hospitality and the openness of the people, even under extremely difficult conditions, have always impressed me. We have been flying to Israel for 35 years, and we feel a great responsibility in many regards. Like almost no other country, Israel depends on air transport for its international connections. That is why it is more than just a destination. In contrast to most foreign airlines, which have com-



pletely withdrawn from the market in these difficult times, we have continued to fly there and have even expanded our business. By the way, the case was similar during the Gulf War. At the time, Lufthansa was the last airline to leave and the first to return. That shows our sense of responsibility and also our special feeling for Israel.

TRIBÜNE: Despite this threatening situation, you celebrated, together with 700 invited guests, among them the Israeli tourism minister Benjamin Eron, the 35th anniversary of the landing of Lufthansa's first flight in Tel Aviv. In the course of those years, your company has carried some seven million passengers. In your speech, you recognised the social component of air transport in consolidating tolerance, democracy and peace in the era of globalisation.

MAYRHUBER: I was very glad to travel to Israel for that celebration. I was thrilled by the enthusiasm of all the different generations who attended. When you think about how difficult the beginnings were and what we have achieved by now – it shows how much mutual trust has grown, and what a strong bond there is between us today. And, of course, I am pleased that the passengers value and appreciate our product. Since we first instituted flight service 35 years ago, many positive things have been achieved. I took an older colleague, who had attended the "opening" of Lufthansa, to the party. It was exciting to hear about his personal experiences and find out how satisfied he was with the way it had all developed.

TRIBÜNE: During this visit, how did you perceive the general tension that results from the Israelis' constant exposure to terrorism?

MAYRHUBER: I sensed a tremendous optimism and faith in the future. That encouraged me as a guest. But of course I also sensed this tension; it is ubiquitous, if only because of the

presence of the security forces. The Israelis take terrorism very seriously, and that is important in this difficult situation. But what really impressed me was the will power and enthusiasm with which the people live their lives in a situation like this. They celebrate, look forwards and radiate such strength, such energy, that it's simply infectious. I have a great deal of respect for that.

TRIBÜNE: Do you think that aviation in general can contribute to bringing people together and fostering tolerance?

MAYRHUBER: Yes, I'm convinced of that. It's absolutely essential. I have often said that if we believe in progress and want to promote it, we have to bring people together. There is a difference between reading about other countries and actually seeing them for yourself, and meeting people. Nothing can replace personal experience. That is why I am sure that aviation has more to do than just establishing connections for business people. Aviation is mobility, and mobility is one of the basic requirements for commercial relations. But mobility is also a basic requirement for democracy and prosperity, and thus for a chance of peace. That is why I also see mobility as a peacemaker; it must be preserved and encouraged. Air transport is about more than just connecting sales and procurement markets; it is above all about connecting people, cultures and nations. Where people meet, understanding and trust grow, but they also learn to appreciate differences and contrasts.

TRIBÜNE: One of your press releases on the success of Lufthansa Cargo is titled, "In Solidarity with the Holy Land". It points out that, despite the difficult political and economic situation, growth of nine percent was achieved. That confirms what can be heard in Israel again and again: that Germany is its most important trading partner after the US.

MAYRHUBER: There is no question that economic relations between Israel and Germany are extremely important for both countries, and that they also have a positive effect in the surrounding regions. In addition to tourist and business traffic, freight traffic cannot be neglected. Israel is an exporting country, but it also imports many commodities. For this purpose, goods traffic must be guaranteed. Lufthansa Cargo has taken on the cause of securing this export, and so far we have been very successful

TRIBÜNE: Nevertheless, the Israeli economy has been badly affected by the constant conflicts in the Middle East – especially as far as contacts to foreign firms are concerned.

MAYRHUBER: That is right. But it is my personal conviction that commercial relations also have something to do with reliability and partnership. Friendship proves itself when times are hard. That is what we mean by partnership. You cannot just leave at the first sign of trouble and hope things will get better. You have to be there in bad times as well, and invest. But it pays off in the long term. We ourselves have seen that our fidelity and our staying power have generated a customer loyalty that is extremely valuable for both sides.

TRIBÜNE: Nevertheless, many companies are deliberating about whether it is worthwhile doing business in Israel, given the risks and high financial burdens.

MAYRHUBER: The question doesn't arise for us. Of course, in flying, security – and I mean both safety and security – is an extraordinarily important subject. We have invested a lot in this area. It is absolutely necessary that Israel be tied into the global economy and make its contribution to it. We deliver the mobility platform, so to speak.

TRIBÜNE: There are many voices from the business world that argue that Israel should be admitted to the EU. It is the only truly democratic state in the Middle East and already almost completely integrated into Europe's economic processes. But the political will to support accession has yet to be discerned.

MAYRHUBER: That is a political question and requires an answer from politicians. I continually find it astonishing how the EU has developed. As you know, we have taken on

ten new states; their integration has just begun. The further development of the EU will – I am convinced of this – be of great significance to the global economy as well.

TRIBÜNE: If it were up to you to decide, would you admit Israel to the EU as a full member? **MAYRHUBER:** That is a hypothetical question. It is not up to me to make this decision, and I cannot give any recommendations. Please understand that I must keep to my own rules.

TRIBÜNE: The possible accession of Turkey to the EU is discussed less under economic than cultural and political aspects. Here issues of democracy and the strength of democracy are at stake. The hope exists that, in qualifying for EU entry, Turkey will also gain inner stability and democracy.

MAYRHUBER: I am convinced that it also fundamentally has to do with the issue of how capable Europe is of absorbing it, because the admission of new partners must not endanger the internal stability of the EU, as that is the basic precondition for favourable development. Mind you, the European Union has already made several concessions to internal stability that I consider wrong. One example is the core issue of agricultural subsidies. When you see the poor people in Africa or Asia, who basically live only from agricultural exports, while we subsidise our European agricultural products, we are making a mistake. Ultimately, Europe will grow further, but this process must take place gradually and in such a way that the EU as a whole is not adversely affected.

TRIBÜNE: Lufthansa offers the most flights to Israel; for instance, there are two flights a day from Frankfurt am Main to Tel Aviv. With a market share of about five percent, it is the leading international carrier on the Israeli market. In its operation, does your company take into account – particularly in competition with Israeli airlines – the special relations between Germany and Israel, or do you see this as a country like any other?

MAYRHUBER: In Israel, too, the customer decides who to fly with. The customer appreciates our product and what we offer. Our achievement lies in the fact that the quality of our product, combined with two daily connections to Frankfurt, constitutes an attractive package for the Israeli market, and it's well accepted by our customers in Israel.

TRIBÜNE: Not only do many large enterprises practice commercial cooperation; they also engage in social sponsoring, for environmental protection or on cultural projects. Such German-Israeli cooperative projects often form the basis for long-term contacts, and contribute to friendship between the two countries. Lufthansa has been active primarily in youth exchange and in environmental projects.

MAYRHUBER: In Lufthansa you come across a company that is itself a foreigner, so to speak, with 93,000 people from nearly 160 different nations, 36,000 of them non-Germans. Every day, Lufthansa sees and experiences directly what happens abroad. Not least because of that, it has developed a very pronounced social conscience, which goes far beyond pure commercial connections. Lufthansa is active in charitable and social capacities, in environmental protection and in research. Of course, this takes place in Israel as well; we support a great number of projects here. It is especially important to us that we carry the past into the future, in other words, retain our historical significance. The youth exchange Lufthansa sponsors is a fundamental building block in this respect. Young people must meet each other in order to understand the world and take over responsibility for it.

TRIBÜNE: Time and again, Lufthansa has emphasised its solidarity with Israel. How does this solidarity express itself, and where are its limits?

MAYRHUBER: Our solidarity expresses itself in our social and economic commitment, in various areas of business. I am thinking not only of the passenger trade, but also of tourism and freight, and of technical services, some of which we buy here in the country. For us, it

is not only economic aspects that express our fundamental solidarity, but also social commitment – and there we have no taboos and no limits. For more than 20 years Lufthansa has supported youth exchanges between our countries. Thousands of young people from both countries have had the opportunity to gather valuable experiences through these exchanges. In this way, Lufthansa has been able to contribute a bit to the important bridge between our countries.

TRIBÜNE: It is increasingly difficult to guarantee the safety of airline passengers. Some airlines equip their aircraft with extra transmitters so their routes can be traced precisely. New anti-terrorism seminars for pilots and board personnel have also been under discussion, or armed air marshals.

MAYRHUBER: Lufthansa is safe and secure. We set great store by flight security. In the past, especially, we invested a great deal, for instance, in special doors and video systems. Beyond that, of course, we keep in constant touch on the state of the threat. There are further protective measures, but you do understand that these are best not discussed in public, so as not to reduce their effectiveness.

TRIBÜNE: Everyone professes to want peace in the Middle East. But in practice things look different: political concerns and tactical considerations often hamper clear responses. Although a whole range of governments and large enterprises maintain contacts with the Palestinian Authority and have committed themselves to aid in building up a peaceful Palestinian state, this influence is seldom used when it comes to outlawing terrorism and attacks.

MAYRHUBER: Everyone wants peace. As a company, as economic players, we can only contribute to this by bringing people together. It must become clear that the will to make progress is there. The real key to a solution does, indeed, lie in politics. All the same, I would not underestimate the effect of business connections. That is another reason why we are investing in this region. We want to do our part so that people do not pull back, but open up. Only contacts between people make that possible – not only through diplomacy; there are also ways to spread information through trade, industry and tourism. People simply think and act differently when they have seen a country for themselves, instead of just reading about it in the newspaper.

TRIBÜNE: But terrorism has caused a massive decrease in tourism to Israel. Consequently, fewer and fewer people have the opportunity to get to know Israel for themselves.

MAYRHUBER: I'm afraid so. Of course, that is a natural human reaction. But precisely because of that, from within the region, one has to make sure that, on the one hand, everything humanly possible is done to establish peace and security, and that, on the other, people are shown how worthwhile it is to visit there. I explained that to the conference of German state premiers on tourism, to which I was invited. I personally hope and believe that the long yearned-for peace is possible. Then the region could flourish again. Peace would be a blessing not only for Israel, but also for its neighbours, for the entire region and for the whole world. That is why I firmly believe it will come.

TRIBÜNE: But whenever dates for talks are announced, the Palestinians counter with a bloody terrorist attack. That is why there is no progress on peace . . .

MAYRHUBER: . . . but it must come sometime.

TRIBÜNE: If the proverbial "good fairy" gave you three wishes for Israel, what would they be?

MAYRHUBER: I think I could get by with one wish: peace – peace in the Middle East would be wish number one, two and three. That would send a signal to people in the region and the whole world. I am convinced: that is what we must work for. It's worth it.

The conversation was conducted by Otto R. Romberg.

