The Manic Culture of US Airlines Post-9/11: A Critical Management Case Study

By

Amy L. Fraher

ABSTRACT

This theoretically informed article examines the US aviation industry, analyzing how profit-seeking has trumped safety in post-9/11 airlines increasing operational risks. Adopting a critical management studies (CMS) approach that questions the wisdom of accepting managerial decisions as unbiased and the pursuit of profits above all else as unproblematic, this article draws on psychoanalysis and the ethnographic study of one hundred and twenty seven airline pilots to evaluate the study’s three hypotheses. Focusing on the post-9/11 period, the article postulates that a 'culture of mania' comprised of denial, omnipotence, triumphalism, and over-activity emerged in the US airline industry with troubling implications for air safety.

Keywords: manic culture, critical management studies (CMS), aviation, 9/11
INTRODUCTION

The study of aviation management typically focuses on the scientific improvement of managerial practices in an effort to enhance an airline’s financial bottom line. In this model, managers are depicted as rational actors, motivated to make decisions for the organization’s greater good with close ties to profitability because, in the competitive US aviation industry, airlines that fail to make money do not survive. Just consider the demise of mainstays like Eastern Air Lines, Pan American World Airways (PanAm), and Trans World Airlines (TWA) to find examples of the industry’s inherent financial risk. As a result “management is considered to be a socially valuable technical function, normally acting in the general interest of workers, employers, customers and citizens alike” (Alvesson and Willmott, 1992: 1). And through this definition, airline managers’ fixation on profit-seeking appears warranted particularly in the challenging post-September 11th 2001 (9/11) market.

In contrast, this essay adopts a Critical Management Studies (CMS) approach that questions the wisdom of accepting the virtue of management as self-evident or unproblematic, and managers’ singular pursuit of profits above all else as justifiable, particularly in high-risk fields like aviation, offshore oil, and nuclear power. One only need examine the interrelated corporate and regulatory failures associated with the 2001 inflight break-up of American Airlines Flight 587 in New York, 2010 British Petroleum Deepwater Horizon oil spill in the Gulf of Mexico, or the 2011 Fukushima Daiichi nuclear power plant meltdown in Japan to find recent examples of managerial profit-seeking at the expense of employee and public safety. In each case, collusive ties between regulators and operators led to weak industry oversight, a failure to ensure
adequate safety, and ultimately fatalities. This article seeks to explain how this dynamic can develop by examining the post-9/11 US airline industry.

It is in risky professions like these that sociologist Mayer Zald (2002) observed critical theory could have its greatest potential impact. Because these fields “are situated in a larger systemic context” that is “shaped by explicit mechanisms of power and doxa,” they share a focus on how “professional norms and institutions regulate, discipline, and shape interaction and behavior in their respective domains” (377). In particular, Zald suggested, CMS could be fruitful examining “issues of worker-management integration” and the “responsibility of management and the corporation to society and the community” (380). Similarly, Frankfurt School theorist Max Horkheimer (1989) identified white-collar employees like managers, supervisors, and regulators, as the social group that merited most urgent critical examination.

A CMS approach is helpful here because interpretations are not meant to be critical of individuals, but of the interrelated system of government, business, and regulation that produces the opportunities for abuse. For instance, CMS scholars argued that as long as the market is the dominant mechanism for allocating resources, employee and community needs will be subservient, further intensifying managers focus on financial bottom lines and stockholder interests (Lazonick and O'Sullivan, 2000; Froud, et al, 2006).

We have seen this managerial reprioritization occurring in US commercial aviation since 9/11 as airlines increasingly furloughed employees and reduced workers’ compensation while charging passengers fees for everything from soft drinks and
pillows to ticket changes and checked baggage. Meanwhile, in the third quarter of 2010 alone, major US air carriers reported the highest profit margin since the Bureau of Transportation Statistics (2010: 1) began issuing quarterly airline financial reports. A key contributor to this record profit was untaxed ancillary revenues totaling $2.15 billion, which included baggage, reservation change and other newly instituted fees.

Meanwhile, as employees and customers increasingly sacrificed, airline managers and stock holders quietly profited (see figure 1).

![U.S. Airline Industry Total Profit/Losses 2000-2010 (in Billions USD)](image)

**Figure 1: US Commercial Airline Industry Profits and Losses 2000-2010 (Bureau of Transportation Statistics, 2010).**

Take United Airlines for example, an international air carrier which spent nearly three years in bankruptcy protection, a luxury not available to their foreign-based competitors. When United emerged from bankruptcy in 2006, executives dealt 400 managers in for 10 million shares or 8% of the total company, worth an estimated $115 million on top of their annual salaries. And CEO Glenn Tilton received a total compensation package of
$23.8 million for 2006 alone (Bailey, 2007; Morgenson, 2006: B1). All this occurred while employees were furloughed, wage and benefits were slashed, and consumers were increasingly denied the most basic of flight amenities. One has to wonder what was happening within this environment that might explain this disparity.

A United spokesperson defended this compensation as “appropriate to enable United to attract and retain top performers. It’s in everyone’s interest for management to have this component of management compensation tied to future performance of United’s stock price” (Morgenson 2006: B1). Others were not so convinced. Morgenson (2006) noted some of the underlying factors are key “players don’t seem to discipline themselves,” “external forces aren’t executing any braking power,” and bankruptcy “courts don’t seem to hold people as accountable as they should” (B1). Perhaps a CMS approach that considers the interrelated system of airline management, government regulators, work culture, employee job performance, and consumer safety can help to sort this conundrum out.

Yet, CMS has been criticized for a lack of strategic application, an abundance of cynical rhetoric (Spicer, Alvesson and Karreman, 2009; Prasad and Mills, 2010), and a pre-occupation with “well-rehearsed arguments between post-Marxists realists and Foucauldian relativists” rather than attempting to bring about real social change (Rasmussen, unpublished: 1). Grey and Sinclair (2006) observed that jargon-ridden language, pretentious tones, and overly complicated arguments focusing on esoteric concerns often made CMS ineffectual in engaging even its own scholars and students, let alone the business world.
This essay aims to help change that image by applying CMS premises to a case study of the US commercial airline industry in the post-9/11 period. In particular, the article takes up Zald’s (2002) challenge and examines the airline worker-management relationship and the ethical responsibility of airlines, managers, government, and regulators to the community through air safety. To explore this thinking, the article begins with an outline of the study’s methodology and a brief overview of salient issues from aviation history. Next, through in-depth interviews with airline pilots, the essay examines employee relationships and industry safety responsibilities introducing three hypotheses that might explain the post-9/11 airline culture, why profit-seeking has been allowed to trump safety, and how the resultant managerial cost-cutting should be a safety concern.

METHODOLOGY
Because this essay constitutes the first attempt in CMS literature to study the commercial airline industry, it must be considered experimental. The methods used include the combination of a systems psychodynamics analysis of the aviation industry using a socio-economic framework, and an ethnographic analysis of pilot interview data.

A systems psychodynamics approach integrates individual psychology, group study, and systemic examination as a way to uncover collective emotions and psychological behavior within organizations (Fraher, 2004a: 65). Systems psychodynamics has been effectively used to access organizational anxieties by a growing number of researchers as a way to understand social dynamics within the wider system (French and Vince, 1999; Hirshhorn, 1988; Gould, Stapley and Stein, 2001). Adopting a systems psychodynamics approach for a CMS study is consistent with the
critical theory tradition because the field has always encouraged creative borrowing from diverse disciplines (Horkheimer, 1989).

Particularly relevant to this study is that a psycho-dynamically informed framework has been applied in the examination of several organizational disasters such as Enron (Stein, 2007a), Long Term Capital Management (Stein, 2003), National Aeronautics and Space Administration (Schwartz, 1987, 1989; Feldman, 2004), and the National Health Service (Fraher, 2011a). And in risky fields like aviation (Fraher, 2004b, 2005, 2011a, 2011b), coal mining (Jacques, 1952), firefighting (Weick, 1995), law enforcement (Fraher, 2011a), mountain climbing (Elmes and Barry 1999, Kayes 2004; Tempest, Starkey and Ennew, 2007), oil refinement (Hirschhorn and Young, 1993), and nursing (Menzies, 1959). Drawing on a variety of psychodynamic concepts, these studies depicted the organizations studied as perverse (Long, 2008), envious (Stein, 2000), narcissistic (Elmes and Barry 1999; Stein, 2003), greedy (Long, 2008), resentful (Hirschhorn, 1997), toxic (Stein, 2007b), and manifesting Munchausen-by-proxy-syndrome (Fraher, 2011a).

Like CMS itself, there have been criticisms of applying systems psychodynamics to the study of social and organizational dynamics. Jacques (1952), an early proponent of applied psychoanalytic study, ultimately abandoned the approach, calling it dysfunctional. Others noted how these methods can be suspect because they are not open to empirical validation. Nevertheless, I find Stein’s (2011) theoretical framework exploring a “culture of mania” (174) particularly helpful in making sense of the psychodynamics of post-9/11 airlines.
Manic Culture: A Theoretical Framework

Stein (2011) expanded Melanie Klein’s (1935) concept of individual mania by observing how a “manic culture” developed in the decades preceding the 2008 credit crisis in which governments and regulatory agencies abdicated their authority, auditors failed to function, and financial institutions engaged in dangerous risk-taking. In this case, “risk is generally understood to be the probability or likelihood of the occurrence of adverse events” (Stein 2003: 528). Underpinning this increased risk was the emergence of four characteristics: denial, omnipotence, triumphalism, and over-activity. Rather than serving as warnings, these behavioral markers acted as stimulants amplifying systemic risks. A key trigger and contributor to the mania was triumphant feelings in the West over the collapse of communism.

Stein (2011: 176-7) theorized that, in a manic culture, organizations may take note of emerging problems but rather than being concerned, they feel threatened, and play down their severity. As a result warnings go unheeded, as they imply a need to worry, and worries challenge the organization’s sense of omnipotence. Rather than responding thoughtfully with appropriate concern, people deny reality, engaging in hyperactivity that can include attacks on the very systems designed to contain risks. In response, risk escalates and victories are celebrated in a triumphant way validating managerial decision-making, reinforcing organizational superiority, and amplifying feelings of contempt for those less successful. Although these collective feelings may be largely unconscious, their impact is no less influential than conscious actions in creating dangerous ways of thinking and behaving that puts the system at risk. Applied to high-risk fields like aviation, the impact can be disastrous.
Research Design
This study draws on primary data in the form of semi-structure interviews and surveys as well as a wide range of secondary data such as Congressional hearings, Government Accounting Office (GAO), Federal Aviation Administration (FAA) and National Transportation Safety Board (NTSB) reports, as well as books, journal articles, online resources, and newspapers.

The study began when informants (N=127) replied to an online labor union forum inviting them to complete a web-based survey investigating their opinions about the aviation industry. The survey asked ten aviation work-related questions, ten Likert scaled safety-related questions, and five open ended questions. The last survey question asked respondents to provide an email address if they were willing to participate in a follow-on telephone interview. Seventy two pilots (57%) volunteered to be interviewed, of those, thirty three (26%) completed a semi-structured interview. Interviews were transcribed and the content analyzed.

Participants
A majority of participants in this study were civilian trained, middle-aged male pilots from United Airlines with a significant amount of flight time, involuntarily furloughed after 2001. Informants ranged in age from 32 to 63 years old, with the majority (52%) being between 40 and 47 years of age. They were predominately male (96%), averaged 23 years of total aviation experience, 13.5 years flying at a major commercial airline and reported an average of 10,271 flight hours. Thirty five percent of the respondents were actively employed at their airline, 51% had been involuntarily furloughed, and 14% had voluntarily left. Forty three percent had served in the military, of that, 50% had been military pilots. Although the study included pilots from most US air carriers, a significant
amount of study volunteers (87%) were employed by United Airlines. I suspect this is because United had furloughed the most employees in the post-9/11 period thereby providing pilots both the time and motivation to participate (See Table 1).

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* US Airways’ 2008 report followed merger with America West. Previous years do not include America West.

Table 1: Total Number of Pilots per US Airline 2000-2009 (Bureau of Transportation Statistics, 2010)

**FINDINGS**

The Incubation Period
Building on Stein’s (2011) model, I argue that the post-9/11 airline industry mania in which bankruptcies, mergers, outsourcing, and furloughs, combined with increasing customer fees and decreasing customer service, was preceded by a twenty three year “incubation period” (Turner, 1976: 381) beginning with airline deregulation. Turner was one of the first researchers to evaluate organizational decision-making, noting disasters
do not typically occur spontaneously but rather incubate over a number of years until ignited by a precipitating event. Using this model, I will outline the details of this incubation period and the precipitating event in the US airline industry in the following section.

**Airline Deregulation Act of 1978**

As commercial airlines began to flourish in America in the 1930s, the government instituted the Civil Aeronautics Board (CAB) to subsidize, regulate, promote and protect the fledgling industry. However, overtime the CAB earned a reputation for bureaucratic complacency as industry requests often underwent years of delay and red tape only to be finally rejected because they were outdated. For decades, leading economists argued against this high level of government regulation but it was not until the 1970s when the Middle East oil crisis led to skyrocketing fuel prices and escalating airfares on near empty flights, and the Penn Central railroad collapsed requiring a huge taxpayer bailout, that Congress acquiesced. And in 1978, President Jimmy Carter signed the US Airline Deregulation Act into effect, disbanding the CAB and withdrawing government control, allowing airlines to compete over routes, schedules and fares in a free market (Heppenheimer, 1986; Petzinger, 1995; Sheth, Allvine, Uslay, and Dixit, 2007).

Yet not everyone was a fan of airline deregulation. Many industry insiders like American Airlines CEO Robert Crandall were strong critics, believing the government and general public were naïve about the risks. Crandall (2009) noted how Congress, the media and flying public became enthralled with the burgeoning low frill carriers like Southwest Airlines, and its precursor Pacific Southwest Airlines (PSA), and “drove the industry to the lowest common denominator” with disastrous side effects. In short,
Crandall considers deregulation a huge mistake: “We have failed to confront the reality that unfettered competition just doesn't work very well in certain industries” (Demerjian, 2008).

**Post-Deregulation**

Many airlines’ struggles to stay solvent in the post-9/11 period originated with managerial decisions made during the first decades of deregulation when intense competition and unbridled expansion required the extensive purchase of new airplanes and record hiring of employees at industry leading pay rates. This rapid expansion exhausted the available labor supply and put less experienced pilots in the cockpit of nearly every air carrier. Thus began a trend in which a pilot with no college diploma, little ground training or operational experience, and as few as 250 flight hours in small single-engine airplanes logged via flight instruction, sightseeing tours or banner tows could be at the controls of a complex commercial flight in challenging environmental conditions. Fortunately, strong labor unions at most major air carriers in the 1980s largely restricted these low time pilots to the smaller, regional airlines and their less sophisticated aircraft. But after 9/11, a new business model emerged.

As one might imagine, these changes had safety ramifications. In the early 1990s, safety analysts predicted that even if accident rates remained constant, the anticipated 3-4% annual aviation industry growth would result in a near doubling of US air crashes by the turn of the 21st century (Gore, 1996). Many cite as the core problem an antiquated aviation regulatory system in which motivated lobbyists and overly conservative financial concerns combine to block implementation of safety innovations.
“The FAA, was simply never created to deal with the environment that has been produced by deregulation,” Flight Safety CEO Stuart Matthews noted (Gore, 1996: 1.1).

These problems have only been exacerbated in the post-9/11 period. In 2008, a Congressional hearing examined the regulatory relationship between the FAA and US airlines. It discovered numerous safety inspectors who “found it difficult to bring enforcement action against airlines because FAA management appeared to be ‘too close to airline management’” (Oberstar and Mica, 2008: 13). Many confessed, “I often don’t even bother” bringing airline violations forward “because I know FAA management won’t do anything with it” and they may face “retribution.” (Oberstar and Mica: 5). As a result, Congress found “extensive evidence” which “points toward a systemic pattern of FAA failure to exercise the required regulatory oversight” over US airlines (Oberstar and Mica: 1). Yet, this was not the first time the FAA had been criticized.

**Valujet Airlines**

Consider, for example, ValuJet Airlines which entered service in 1993. To keep costs low, ValuJet purchased used aircraft, skimped on crew training, and outsourced most functions, subcontracting maintenance to questionable companies and raising safety concerns. Nevertheless, the following year Valujet went public, earning $21 million in 1994 alone and quickly becoming the darling of Wall Street. Although ValuJet’s fleet was the oldest, safety record the worst, and whistleblowers repeatedly raised safety concerns the FAA, in denial about the escalating risk, failed to intervene. It was not until a high profile crash in the Florida Everglades killed 110 people in 1996, that regulators permanently grounded the low-cost carrier which had grown from a single DC-9 to 56 planes in just three years.
Rather than constituting a system-wide warning, the cost-cutting models of low-frill airlines like ValuJet were championed as a model of innovative management. And many of their questionable safety practices like maintenance outsourcing and training shortcuts spread, continues at airlines today. These types of short-term cost saving strategies seemed to further stimulate the cut-throat competition, creating a sense of triumphalism for the surviving airlines. As a result, we find the post-deregulation airline industry’s flagrant denial of safety risks and increasing hyperactivity a tinderbox primed for detonation.

Post-9/11
September 11th 2001 became that inciting event. The loss of four US airliners in terrorist hijackings on 9/11 became the proverbial ‘last straw,’ launching the struggling US airline industry—which had over expanded and over spent in a competitive frenzy during the post-deregulation period—into full-blown mania. To understand the dynamics of this manic culture, let us look at some aviation accidents.

Since 2001, there have been six fatal commercial air carrier accidents in the US resulting in 418 deaths. Not an extraordinary number. Yet, after analyzing each accident, the NTSB identified an unusual pattern. In nearly every crash, investigators cited aspects of pilot and/or mechanic professionalism and failure to adhere to established procedures as factors. Four of the accidents involved companies “doing business” as another entity—an outsourcing strategy nearly unheard of in aviation before 2001—with new, yet unexplored safety risks.
Consider one 2004 accident: Pinnacle Airlines Flight 3701, doing business as Northwest Airlink. The crash occurred about 10pm while the captain and first officer were repositioning their regional jet (RJ) from Arkansas to Minneapolis-St. Paul for the next day’s flight schedule. Although they flight planned for a lower altitude, the pilots intentionally climbed their jet to its maximum operating altitude of 41,000 feet.

Their bizarre decision did not go unnoticed by air traffic control who radioed, “I’ve never seen you guys up [this high] at forty one.”

The captain laughed, “We don’t have any passengers on board so we decided to have a little fun.”

As the jet struggled to maintain its maximum altitude, the aircraft repeatedly stalled, causing one pilot to joke, “Dude, it’s losing it” (NTSB, 2005: 108). Although they recognized the deteriorating performance, neither pilot responded with urgency until airflow became so disrupted, both engines failed and the jet began a glider-like descent to impact, killing both men.

The NTSB (2004) found the “probable cause” of the accident was the “pilots’ unprofessional behavior, deviation from standard operating procedures, and poor airmanship” (73). This thrill-seeking effort to impress each other and blatant disregard for safety prompted the evaluation of other crashes. And the NTSB identified five airline accidents in the post-9/11 period involving a “lack of cockpit discipline and adherence to standard operating procedures” (60). Yet, curiously, the NTSB and FAA blamed individual pilots and their training programs for this behavior and made no
recommendation to examine the aviation industry system or the organizational culture at airlines for clues to this pattern of behavior.

**Colgan Air**

Another shocking accident occurred in 2009: Colgan Air doing business as Continental Connection Flight 3407. This twin-engine turbo-prop was on approach for landing to Buffalo-Niagara International Airport at night in icy weather when the captain allowed the airplane’s speed to become dangerously slow. This caused a warning device called a ‘stick shaker’ to turn off the autopilot and vibrate the control yoke, indicating impending stall—as designed. Although the aircraft was in no imminent danger, the captain panicked. Distracted by the icing, startled by the warning, and confused by the autopilot, he lost control of the aircraft and crashed five miles from their destination, killing all forty nine aboard and one person on the ground (NTSB, 2009: 82).

The cockpit voice recorder revealed that both pilots were improperly monitoring the aircraft instruments, distracted instead by nonessential communications such as commuting, applying to major airlines, changing aircraft, and the implications of the copilot’s annual gross salary of $15,800. This lack of situational awareness was compounded by fatigue: Both pilots could be heard yawning repeatedly throughout the flight. To save money, they each had slept in the flight crew lounge the night before the accident.

Like Valujet, Colgan Air had been in trouble before and had doubled in size over a short period. An FAA whistleblower testified to Congress about numerous safety violations dating back to 2005—four years before this fatal crash—which went unheeded. Any effort to enforce regulations met resistance from FAA management, the
whistleblower testified. “(Colgan Air President) Mike Colgan is a friend of this office,” he was told (PBS, 2010).

The Colgan Air crash so shocked America that Congress convened a hearing in 2009 and the FAA hosted twelve regional meetings. Encouragingly, what seemed to be universally recognized was that “a generational ‘paradigm shift’ in the pilot population” had occurred involving “a fundamental shift in experience, expectations, and work practices,” which required corresponding training and managerial changes (FAA, 2010: 22). Yet, little change was ever put into effect.

Air Line Pilots Association (ALPA, 2009), the world’s largest pilots’ union, noted how industry decisions made after 9/11 significantly altered the business models of major air carriers encouraging them to cut costs by parking larger airplanes and furloughing their more experienced and more expensive pilots, shifting flying to commuter affiliates like Pinnacle and Colgan. For years, strong unions like ALPA controlled this form of outsourcing at the major air carriers through contract negotiations and job action. But after 9/11, with most contracts voided by bankruptcy judges, airline management was free to negotiate anew and commuter airlines jumped at the chance to expand service, often putting low-time pilots in powerful RJs operating in complex airspace and challenging environmental conditions.

Another managerial strategy to offset the impact of skyrocketing fuel prices, low-frill competitors’ cheaper cost overhead, and post-bankruptcy airlines’ leaner workforce was to merge. So many carriers considered merging in the post-9/11 period that Congress commissioned a study to review the process and found nothing detrimental...
about the practice (US GAO, 2008). Yet, what they failed to consider is how airline
mergers are stressful for employees who routinely lose money, benefits, control over
their schedules—and sometimes even their jobs—with little time to prepare. And,
because seniority establishes the order for promotion, aircraft assignment, work
schedules and pay, disputes over the integration of seniority lists can be particularly
contentious and distracting for employees.

Examples of the repercussions of this post-9/11 stress and distraction are readily
available. Take for instance the United and Delta jets, transporting a combined 300
passengers, which came within 100 feet of colliding in Fort Lauderdale in 2007; the
Northwest pilots who, out of radio contact for an hour, overflew their Minneapolis
destination by 150 miles with 147 passengers onboard in 2009; and the Delta crew who
in 2009 landed their 767 with 194 passengers on a taxiway at their hub airport, Atlanta-
Hartsfield International, instead of their assigned runway. These types of near-misses
have become more common in the post-9/11 period as pilots’ struggle to cope with the
drastic changes that have befallen their profession.

Will we soon see a major airline disaster? Nearly every pilot I interviewed agreed
it’s likely. Ninety-six percent reported witnessing increased stress on the pilot workforce
due to post-9/11 cost cutting measures; seventy-eight percent reported this as a daily
occurrence. Ninety-eight percent of pilots interviewed witnessed mistakes or distractions
on the flight deck because of airline cost cutting and work rule changes; sixty percent
saw this on a daily or weekly basis.
In order to more fully analyze this culture and understand the shifting power structure, we need a different sort of framework. A framework which will reveal how systemic, organizational and individual anxieties played out as the culture turned manic. For this we turn back to psychoanalysis.

**Examining Anxiety**

Anthropologist Eric Miller (1999) studied the institution of employment in peoples’ minds demonstrating the extent to which the workplace can be used to buttress or even replace an individual’s defenses against anxiety (102). Applying this model, the roles, structures, and boundaries of the organization are seen to help contain life’s uncertainties. And if the organization fails to adequately contain anxieties, strong labor unions can often be relied upon to keep things in balance. Correspondingly, when employees lose their job, they often experience a profound sense of betrayal, abandonment, and loss of identity which heightens anxieties and evokes defenses. The workplace is no longer felt to be safe, even for those who retained their jobs as fear for survival preoccupies employees thinking, increasing anxieties, and distracting them from their work. Expressed differently, one could say the organization no longer functions effectively as a “container of anxiety” (Gabriel, 1999: 292).

More specifically, Anton Obholzer (1994) noted how institutions like hospitals and schools not only provide a service but also “contain” life’s anxieties for society as a whole (170). And to this list, I would also add airlines whose primary task is to transport passengers and/or cargo by air for profit while also containing air travellers’ anxieties and fear of death. Applying this definition, it becomes clear how safety and the
maximization of revenue have the potential to be in conflict if anxieties are not effectively managed.

Obholzer (1999) proposed three categories of workplace anxiety which need containment: 1) primitive anxiety, 2) anxiety arising from the nature of the work, and 3) personal anxiety. Primitive anxiety is the “ever-present, all-pervasive anxiety that is the fate of mankind” (90) and held at the systemic level. To manage this feeling, society imbues a network of social, political, religious, and work institutions to provide meaning in order to “fend off the dread of the unknown” (90). The second anxiety which must be managed is held at the organizational level and arises from the workplace itself and the ways in which work related tasks are managed. Uncontained, this anxiety can lead to accidents, employee burnout, absenteeism, depression, injury, and high job turnover. If defense related anxieties are allowed to dominate, the primary task of the organization can become sabotaged putting the organization’s survival at risk. Most importantly, this means any managerial efforts to reorganize work must also address the corresponding disruption to the workplace anxiety-holding system (92). The third level of anxiety is held at the personal level, a result of the individual’s inner world based on past experiences, both conscious and unconscious.

**The Culture Turns Manic**

These three categories—primitive anxiety at the systemic level, work anxiety at the organizational level, and personal anxiety at the individual level—became important elements in creation of the manic culture which ensued in the post-9/11 airline industry. First, in the months following September 11th, primitive anxiety was at a record high throughout the US, a country which had never been attacked on its own soil. In a burst
of hyperactivity, laws were rapidly enacted like the PATRIOT Act, Aviation and Transportation Security Act, and Air Transportation Safety and System Stabilization Act and institutions created such as the Department of Homeland Security and the Transportation Security Administration (TSA) as a way to deny America’s vulnerability, with little regard for the cost or long term implications. US airlines also moved quickly arming pilots, fingerprinting employees, reissuing identification badges, developing new security policies, procedures and trainings, and equipping all aircraft with bulletproof cockpit doors.

As the economic situation worsened, nearly every major airline entered bankruptcy, restructured, and furloughed employees. Bureau of Transportation Statistic data (see table 1) demonstrates the impact: over 14,000 commercial pilots lost their jobs at the seven US ‘network’ airlines since 9/11; Nearly a 30% reduction.

Even once aggressive labor groups now shied away from confronting airline management, fearing repercussions. Take the Airline Mechanics Fraternal Association strike at Northwest Airlines in 2005 when 4,400 mechanics and aircraft cleaners walked off the job, angry about the company’s demand for $176 million in wage and benefit concession and a 53% reduction in jobs. In an unprecedented move 1,500 temporary mechanics on furlough from other airlines crossed the picket line to work, and pilots, flight attendants and other labor groups refused to strike in sympathy, fearing for their own jobs (Maynard, 2005).

For many airline employees, this was devastating. The emotional experience of post-9/11 airline life was not just a feeling of loss but of abandonment by the
organization, and betrayal by the labor union. Informants in this study reported feeling “constant turmoil” at work. Employees were “distracted,” “unhappy,” “beat down,” and pushed to the “breaking point.” There was a “mood change” after 9/11 in which airline management became “more of big brother,” looking over workers shoulders. Respondents felt it was “almost punitive and pervaded the whole environment” which “made people even more angry.” One pilot noted “It was almost a relief to find out I was getting furloughed because then I wouldn’t have to deal with that poisonous atmosphere anymore.”

One senior captain recalled nearly every flight “I was flying with a copilot that was being furloughed either that month or the next month. The stress” was “unbelievable.” And “when there’s stress on one pilot, there’s definitely stress on both.” Prompted in part by his experience of being airborne on 9/11 and suffering from post-traumatic stress syndrome, this pilot took time off, went into therapy, and completed a master’s degree in counseling. He noted, “I have quite a bit of background in the effects of depression and stress [now]. It was really obvious to me, that at least half of the guys I was flying with were clinically depressed.” They “were probably at the level where they really shouldn’t have been flying.” One furloughed pilot even reportedly committed suicide.

A top down managerial model emerged where airline managers contemptuously held all the power, making little effort to communicate with employees. As a result, every pilot interviewed said they had no confidence in the decision-makers at their airline. They observed managers “are in a completely different world” than rank-and-file employees both in terms of pay and exposure to risk. “Managers just care about
themselves, not the airlines,” one pilot concluded. In fact, several pilots believed airline managers strategized to pit employee groups against each other to create disharmony. Obholzer (1994) described this style of management as “‘paranoid-schizoid by choice’ fragmenting and splitting up systems instead of promoting collaboration,” as a way to make it more comfortable for managers to make difficult decisions (173). The result was an increase in personal anxiety for pilots, many of whom continued to feel victimized and shameful that US airliners had been commandeered by terrorists. They experienced the airline hijackings, and increased scrutiny afterwards by security officials, as an attack on their profession and individual professionalism.

These factors combined to reduce all employees’ psychological investment in their airline but for pilots, who worked decades to reach this pinnacle of their career, it was particularly acute. As one pilot put it, “Before 9/11 being an airline pilot was a career. After 9/11, it was just a job. There’s a big difference in your frame of mind going to your job verses going to your life long career…I don’t have that pride anymore.” Another pilot observed:

Before 9/11, I was always willing to help out the company if they called me and needed a favor. Post-9/11, when I went back [to work from furlough], I was never willing to help out. I felt like I’d been burned by the company, burned by the union. I just wanted to do my job and go home.

For some pilots, it was not bankruptcy or furloughs that were most unsettling, it was the managerial strategies undertaken afterwards to indoctrinate the surviving employees into the new post-9/11 organizational processes. For example, one airline instituted a mandatory employee training program called business education training (BET). As one pilot described BET, about a hundred employees assembled to play a
board game designed to expose workers to various business scenarios. Another called it a “Business 101’ briefing for kindergartners.” A third described the goal as teaching workers how hard the managerial decisions were during bankruptcy:

You rolled the dice and moved forward and you’d land on a space, like a monopoly game, and it would say ‘fuel prices have spiked up $5 a barrel. Do you want to: A) park some of your airplanes; B)—and then you’d have to make choices. Based on the choice, you’d lose money or make money.

Besides being offended that they were required to attend BET unpaid on their day off and “embarrassed” to be playing “a stupid board game,” many employees resented feeling forced to drink the company “koolaid.”1 Several were appalled that the company spent $20 million developing the training, while simultaneously furloughing employees and cutting wages.

Many people reported “riots breaking out” and security being called because employees became so enraged. One pilot observed, managers had “grossly miscalculated the depth of pilot anger and hostility.” Another reported that all BET accomplished “was to highlight just how out of touch our management team was. If they couldn’t gauge morale within their own employee group, how could we then have any confidence in their decision making as it related to a complex business?”

One pilot recalled people crying, they were so humiliated: “Here was a company who had clearly broken employee spirit and morale” and “now they had the audacity to talk about things like quality and working together as a team. What a two-faced joke!”

Interestingly, whether it was security changes, managerial practices, regulators,

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1 “Koolaid” is a brightly colored, syrupy sweet artificially manufactured children’s drink with little nutritional value.

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training, or airline culture, many pilots interviewed used the word “joke” to describe post-9/11 changes. This supports Miller’s (1999) finding that companies that tried the hardest to eliminate negative or ambivalent feelings may instead stimulate the most employee resentment, mistrust, and suspicion (107). In fact, Miller noted, for managers to “expect that surviving employees could be persuaded to be loyal to an employer who had been extremely disloyal to the hundreds of ex-employees who had lost their jobs was rightly seen as absurd” (107).

This is yet another example of the denial that permeated airline operations in the post-9/11 period. The biggest problem, one pilot observed, was that the aviation industry is “not facing things.” They act like “just because it’s legal” means “it’s safe.” He explained, “When you’re being pushed to not call in sick, or being questioned when you call in sick, that’s not being safe.” And when “you hear a mechanic tell a captain, ‘If you want that fixed, you need to refuse the airplane’,” that’s not being safe. And when pilots are being rushed through abbreviated training programs and pressed to fly airplanes with documented mechanical problems in order to save money, that’s clearly not safe either. These were all reported by many respondents.

Several people worried that pilots make their job look too easy and the apparent rarity of aviation deaths has caused passengers to become indifferent, regulators lackadaisical and airline management complacent about air safety. Many observed the only thing preventing a major crash was “luck,” “standard operating procedures,” and the “professionalism” and “experience level” of aircrews.
Several pilots confessed they were “stunned” that there were not more safety incidents in the post-9/11 period, believing the current levels of stress and fatigue to be a “recipe for disaster.” As one pilot noted, with “the way the company puts pressure on the employees, it’s just a matter of time.” We have seen “what happens,” we saw the failures with Colgan Air “in the Buffalo accident.” He emphasized, “Something’s got to give.”

ANALYSIS

These obvious safety concerns raise a wider, more problematic issue which is how to explain the US aviation industry’s disregard for these troubling warning signs. As the numerous Congressional hearings, GAO reports, and other industry investigations revealed, problems were being recognized but they were not being dealt with. Instead industry leaders used every opportunity for triumphalism and to celebrate their own managerial decisions. Consider, for instance, FAA Administrator Marion C. Blakey’s comments in 2007 when she called the post-9/11 aviation industry “The golden age of safety, the safest period in the safest mode, in the history of the world” (Wald, 2007).

Addressing this issue, three hypotheses emerge:

Hypothesis 1 (H1): Following a twenty three year ‘incubation’ period, a ‘culture of mania’ emerged in the US airline industry in the decade following the terrorist attacks on September 11th 2001.

A ‘culture of mania’ developed in the US commercial airline industry over a twenty three year incubation period beginning with the Airline Deregulation Act of 1978, and was triggered by events on 9/11. Airlines struggled to stay solvent between 2001 and 2004 intensifying the mania, as hyperactivity in the form of bankruptcies, mergers, furloughs,
restructuring, union job action, and outsourcing challenged industry decision-makers. Rather than dealing with issues in an open, thoughtful manner the aviation industry denied the growing risks. In several instances, it took aircraft accidents, fatalities, and whistleblowers testifying to Congress to draw attention to safety violations.

Hypothesis 2 (H2): This ‘culture of mania’ increased risk and diminished safety in the post-9/11 US airline industry.

Contributing to the ‘culture of mania’ was an increasing state of denial by government leaders, industry regulators, airline managers, labor union leaders, and consumers regarding airline worker-management relationships and its potential impact on air safety. Economic recession heightened consumer frugality, war increased fuel costs, and online technology widened passengers’ ability to locate the cheapest ticket, forcing airlines to find new ways to maximize profits. Many air carriers entered bankruptcy, voiding employee contracts and strong-arming industry changes previously prohibited under law, increasing risk and diminishing safety.

By 2005 US airlines had returned to profitability, and by decades end air carriers reported an overall $9.8 billion profit (See Figure 1). Yet, the mania persisted as a sense of omnipotence seemed to permeate the airline industry. As labor unions lost power, and cozy relationships developed between airlines and their regulators, a sense of insularity settled over the industry in which airline employees and the flying public were forced in a contemptuous way to adapt to the ‘new normal’ of post-9/11 air travel. Even after several alarming airline accidents and a series of near-misses, the industry remained in denial as leaders called it the ‘golden age of safety,’ while attacking critics and whistleblowers for attempting to identify problems. During this manic period, the
aviation industry’s ability to provide proper containment diminished, greatly increasing operational risks, as airlines’ short term profit-seeking trumped long term safety concerns.

**Hypothesis 3 (H3):** Changes in the post-9/11 airline power structure shifted the increased risk downward, placing the burden to provide containment for work-related anxieties which had previously been held at the systemic and organizational level, onto individual employees with troubling implications for air safety.

Bankruptcy, mergers, outsourcing, and furloughs resulted in changes in the power structure of the post-9/11 US airline industry. These changes shifted the risk previously contained at the systemic and organizational level through proactive regulators, strong labor unions, fair work rules, appropriate remuneration, satisfied employees, and empathetic managers downward, placing the burden on individual employees to contain the organization’s work-related anxieties. As airlines demanded employees work longer hours for less money, work sick, and fly questionable equipment, or face repercussions, stress and fatigue increased and job performance deteriorated. Employee’s efforts to raise concerns went unheeded, disregarded by both regulators and managers in a contemptuous way. The mania amplified further as air carriers engaged in a hyperactive fixation on restructuring, outsourcing, and merging, ignoring the escalating risks and forcing individual employee professionalism to become the final stopgap preventing an airline disaster.

**CONCLUSION**

In conclusion, this article makes contributions to organization theory, the psychoanalytic study of organizations, and our understanding of the socio-economics of the US aviation industry. Adopting a critical management approach that questions the wisdom of
accepting managerial decisions as unbiased and the pursuit of profits above all else as unproblematic, this experimental case study evaluated management-employee relationships and the responsibility of airlines to provide safe air travel. Results of this study indicate that although Congressional hearings, GAO reports, NTSB accident investigations, FAA studies, and an ALPA white paper all documented extensive changes in the post-9/11 airline business model, few safeguards have been put in place to address them. As a result, airlines’ managerial profit-seeking has been allowed to trump aviation safety with disturbing implications for employees and the flying public.

Just as Stein (2011) argued the 2008 credit crisis was preceded by the fall of communism which reminded the capitalistic West of its vulnerabilities, activating an inclination to engage in furious activity as a way to obliterate anxieties, so too did the US aviation industry respond in the post-9/11 period. Events on 9/11 triggered a mania, as a way to deny primitive anxieties about vulnerability, which stripped away the last semblance of effective government oversight, regulatory supervision, and organizational responsibilities. Even the flying public contributed to the mania, putting downward pressure on airline revenue by surfing the internet for the cheapest possible airfare.

As government and industry regulators distanced themselves, and airlines forced labor groups, employees, and consumers to adjust to the ‘new normal’ of the post-9/11 industry in a contemptuous way, a shift occurred in the industry power structure. This, in itself, was disastrous enough. However, as airlines restructured they failed to address the corresponding disruption to the anxiety-holding system. Therefore primitive anxiety, which had previously been held at the systemic level, and work-related anxiety, which had been contained at the organizational level, shifted downward onto individual
employees who were already stressed, fatigued, and despondent, greatly increasing risks. Of the pilots I interviewed, 70 percent said it’s likely that a major airline accident will occur in the coming years due to post-9/11 airline cost cutting.

With so much evidence available, we must ask deeper, more vexing questions about why so many different parties, from airline management and industry regulators to labor union leaders and consumer watch dog groups, continue to accept this extreme risk-taking. I hope this study makes a contribution to our understanding of how disasters occur. Rather than blaming individuals for the next crash which will inevitably occur, this study makes clear how a systemic pattern of interrelated behaviors in the post-9/11 period escalated risks in a manic way, bringing us to this dangerous precipice.

<table>
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<tr>
<th>Aspects of a Manic Culture</th>
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<td>Four Characteristics</td>
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| Denial | • Problems noted, but not reacted to  
• Warning signs seen as provocations  
• Vulnerabilities ignored | • Hypercompetitive market  
• Shifting pilot demographics  
• Colgan and Pinnacle accidents  
• Lack of professionalism  
• Lack of adherence to SOPs  
• Whistleblowers |
| Omnipotence | • Need to prove superiority  
• Problems seen as challenge to omnipotence  
• Increasing risk | • Furloughs  
• Outsourcing  
• Pilot-pushing  
• ‘Golden Age’ comment |

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<table>
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<tr>
<th>Triumphalism</th>
<th>Over-activity</th>
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<tr>
<td>- Excessive feelings of exultation</td>
<td>- Protects feelings of vulnerability</td>
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<tr>
<td>- Need to feel victorious</td>
<td>- Manic attacks on warnings</td>
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<td>- Contempt for those less successful</td>
<td>- Dismantled regulatory system</td>
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<td>- Need to denigrate</td>
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<tr>
<td>- Increasing customer fees while</td>
<td>- Bankruptcy</td>
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<tr>
<td>airlines earned record profits</td>
<td>- Mergers</td>
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<tr>
<td>- Decreasing customer service</td>
<td>- Outsourcing</td>
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<tr>
<td>- Stocks and bonuses for managers</td>
<td>- Furloughs</td>
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<tr>
<td>while employees sacrificed</td>
<td>- New business models</td>
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<tr>
<td>- Business education training</td>
<td>- New laws</td>
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<tr>
<td>- Anxiety shifted to employees for</td>
<td>- New government institutions</td>
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<tr>
<td>containment</td>
<td>- Lobbyists driving change</td>
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<tr>
<td>- Regulators power weakened</td>
<td>- Labor union power weakened</td>
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<td>- Labor union power weakened</td>
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Table 2: Aspects of a Manic Culture in Post-9/11 US Aviation Industry
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