

# Do MAX woes show Boeing too big to fail?

Tweet     Share

7:11 pm, August 05, 2019

## AFP-Jiji

NEW YORK (AFP-Jiji) — The grounding of the 737 MAX for more than four months after two deadly accidents has tarnished Boeing's reputation, but it still has the confidence of U.S. policymakers.

This is despite the fact that one of the MAX flight systems, the MCAS, has been cited in both accidents.

Is this an indication that the U.S. aerospace giant is too big to fail?

U.S. President Donald Trump, whose mantra is "America first," certainly criticized Boeing early in his administration over the presidential plane, Air Force One, but he has been largely silent about the recent woes.

The wave of negative press about the flaws that caused the deaths of 346 people did not prompt legislators to summon Boeing CEO Dennis Muilenburg before Congress to inflict on him the kind of humiliation Wall Street bankers were subject to following the global financial crisis.

"Boeing is one of the engines of the U.S. economy, it's way too big and too important for the United States," said Michel Merluzeau, an expert at Air Insight Research.

## Political ties

If American politicians were to attack the manufacturer, they would be shooting themselves in the foot, Merluzeau said, because "there are many jobs involved, a very, very numerous supply chain and it cannot be replaced with Facebook or Google, which don't produce anything tangible."

Founded 103 years ago, Boeing employs more than 150,000 people around the world, the vast majority in the United States.

In addition to direct jobs, its subcontractors — like General Electric, United Technologies and Spirit Aerosystems — are large U.S. industrial employers.

The location of Boeing plants resembles a political campaign map, with facilities in Republican strongholds like Alabama, South Carolina and Texas, and Democratic areas like California and Washington, as well as states that helped Trump win the election: Pennsylvania and Arizona.

And Muilenburg has shown political savvy in his picks for the company's board of directors, naming Nikki Haley, former governor of South Carolina and Trump's former ambassador to the United Nations, and Caroline Kennedy, ally of former president Barack Obama and daughter of former president John F. Kennedy.

Air Force One

Boeing is a dominant player not just in civilian aircraft but in the defense and space industries, and is a major supplier to the Pentagon.

The company produced the famous B-17 and B-29 bombers of World War II and the B-52 used since the Vietnam War. Today it produces a variety of aircraft including the F/A-18 Super Hornet fighter jet, Apache attack helicopter, the B-1 bomber and combat drones.

It also is part of SpaceX, which will manage travel to the International Space Station.

And Boeing manufactures the presidential plane, the iconic Air Force One.

But Boeing also "can be used as a strategic tool," said Arthur Wheaton, a professor at Cornell University in New York.

Chinese purchases of Boeing aircraft are part of trade negotiations with Beijing, according to a source, since that can be a fast way to reduce the U.S. trade deficit.

U.S. civilian aircraft exports fell 12 percent to \$20.4 billion in May, due to the MAX crisis, which affected the GDP, according to government data. 🗣️

Tweet     Share

---

*Related*

- UPDATE 2-Sales of Japanese cars in S. Korea slump amid growing diplomatic row
- ROK to boost R&D spending to reduce reliance on Japan
- Trade war fears topple Japanese shares
- S. Korean firms suddenly scrambling

---

*More from The Japan News*



Biden wrestles with his Obama problem

Aug 05, 2019



## U.K. PM Johnson ready to fast-track health funding

Aug 05, 2019

- [Out of this world: Sanchez fuels Astros no-no](#) Aug 05, 2019
- [Japan-ROK talks make no progress](#) Aug 02, 2019
- [Lochte soaks up success amid strong return from suspension](#) Aug 01, 2019

Recommended by **Outbrain**

---

### *Sponsored Contents*

---



#### 20 Facts That Show Malia Obama Is Just Like Us

(Buzznet)



#### Simple Way To Reduce Toenail Fungus? (Watch)

(healthbenefits.vip)



#### [Pics] The Bizarre Rules The First Family Must Follow If They Want To Reside In The White House

(Hooch)



#### [Gallery] The Untold Truth Of Donald Trump's Current Wife

(Scribol)



#### [Gallery] Four Soviet Sailors Had Been Adrift For 49 Days When A U.S. Warship Locked Onto Their Position

(Absolutehistory)



# World Maps That Will Blow Your Mind

(Far and Wide)

Recommended by |



**SUBSCRIBE NEWSPAPER**

購読申し込みはこちら



## Weather

## Market Data

Tokyo 07:00 am

Customize



# 29.5°C

Wed



35.7°  
26.4°

Thu



35°  
27°

Fri



34°  
26°

Sat



31°  
25°

### Exchange Rates

¥/\$ ▼ 105.35 - 107.35 Aug.5 10:33

¥/€ ▼ 116.81 - 119.81 Aug.5 10:33

Consumer rates provided by the Bank of Tokyo Mitsubishi UFJ

### Topix Close

▼ 1505.88 -27.58 Aug.5 15:02



See the history of  
WASEDA University  
As it is today



Capturing the age,  
focusing on the future  
Chuo University

Advertising with The Japan News



▲ SCROLL TO TOP

#### WEB SITE POLICIES

- [Web Site Policies Top](#)
- [Privacy Policy Statement](#)
- [Copyrights](#)
- [Linking Policy](#)
- [Contact us](#)

#### MEDIA DATA

- [The Yomiuri Shimbun](#)
- [The Japan News](#)
- [Advertising with The Japan News Website](#)

#### ABOUT US

#### SUBSCRIBE NEWSPAPER

#### CONNECT

- [Facebook](#)
- [Twitter \(English\)](#)
- [Twitter \(Japanese\)](#)
- [Twitter \(TheJapanNews Editor\)](#)

#### Links

- [The Japan News Partners](#)
- [Waseda Online](#)
- [Chuo Online](#)
- [Nippon TV](#)
- [YTV](#)
- [ANN](#)
- [YOMIURI College of Tokyo](#)

The Japan News website uses cookies to offer social media functionalities, analyze site traffic and serve targeted advertisements among other things. By clicking continue, you consent to the use of cookies.

[Continue](#)