Boeing executives must be held to account

13 December 2019

Former Boeing senior manager Ed Pierson testified on Wednesday before the House Transportation and Infrastructure Commerce Committee that he warned senior company management twice in the summer of 2018 that “deteriorating factory conditions” at the Renton, Washington Boeing 737 production facility would inevitably produce faulty and potentially deadly aircraft.

The report by the ex-employee reveals another layer of the criminality and negligence of Boeing executives in their drive to generate multi-billion-dollar profits off the 737 Max 8 aircraft. It was another warning, this time by a worker on the shop floor, that conditions in the factory were compromising the safety of dozens of aircraft that would eventually carry hundreds of thousands of men, women and children.

Pierson’s fears were realized four months after his second warning when Lion Air Flight 610 plunged into the Java Sea after taking off from Jakarta, Indonesia, killing all 189 passengers and crew on board. This was followed by a second crash of a Max 8 jet just outside of Addis Ababa on Ethiopian Airlines Flight 302, which extinguished the lives of a further 157 human beings.

It was only after the second crash that Boeing decided to ground the deadly plane worldwide, and that only occurred after international outrage mounted when Boeing declared two days after the second crash that they had “full confidence in the safety of the 737 Max.” These comments were backed and echoed by the Federal Aviation Administration and US President Donald Trump.

The same House hearing also revealed that in the month after the first crash, an internal analysis by the FAA determined that, unless the plane was grounded, the Max 8 would average one fatal crash every two or three years, an amount greater than Boeing or the agency indicated at the time. This report was suppressed by the agency for more than a year, even after the second crash in the span of less than six months.

The immediate reason for both crashes was a previously unknown piece of software known as the Maneuvering Characteristics Augmentation System (MCAS), which erroneously activated as a result of a faulty angle-of-attack sensor and forced both planes into an uncontrollable nosedive. The sensors, Pierson noted, were replacements for the originals that were also defective, something that should not have happened on airplanes only a few months old, pointing to serious problems in the production of the Max 8 itself.

In an email from June 2018 to Boeing Vice President Scott Campbell, the head of the Max 8 program, Pierson warned that “Frankly right now all my internal warning bells are going off.” He explicitly noted the lack of skilled mechanics, electricians and technicians, an overtime rate that more than doubled and fatigued workers. He added that “for the first time in my life, I’m sorry to say that I’m hesitant about putting my family on a Boeing airplane.”

In his comments to the House, Pierson highlighted the “dogmatic focus on schedule” after the company demanded that the facility increase the number of planes it was making from 47 to 52 a month and the increased “product and worker-safety risks.”

As a result, Boeing’s internal quality tracking metrics found a 30 percent increase in engineering and wiring defects, which can all cause potentially fatal faults in an aircraft. This all could have impacted the broken MCAS sensors. In order to address these problems, Pierson recognized the need to shut the factory down “to allow our team time to regroup so we can safely finish the planes.”

Even as factory conditions worsened, Boeing executives continued to stonewall Pierson. During a meeting between Pierson and Campbell, in which the former reiterated his plea to shut down production to
address documented safety concerns, the executive in charge of the 737 Max program told him “We can’t do that. I can’t do that” because Boeing is “a profit-making organization.”

The naked greed embodied in this statement gives only a hint of the enormous sums of money Boeing has made thanks to the Max 8 program. While the grounding of the Max 8 and lawsuits by pilots and relatives of victims are expected to cost Boeing $8 billion, the company increased in value by nearly $200 billion from the time that the planes were announced in 2011 to when the entire fleet was grounded.

Boeing’s executives themselves also made immense personal fortunes. During the meteoric rise of the company’s stock in January and February of this year, Chief Financial Officer Gregory Smith, Executive Vice President John Keating, General Counsel Michael Luttig and Chief Executive Officer Dennis Muilenberg all sold shares worth $9.5 million, $10.1 million, $9.5 million and $6.5 million, respectively.

These figures belie any crocodile tears Boeing’s leadership have shed, especially when one realizes that the second Max 8 crash occurred just one month after these windfalls. Were they aware of the dangers of the aircraft and, rather than warn their pilots and passengers, use the opportunity to cash in?

Neither can one accept the remarks made by the Representatives of the House Transportation committee. In response to the release of the internal FAA document, Democratic representative Peter DeFazio from Oregon stated, “Despite its own calculations, the FAA rolled the dice of the safety of the traveling public and let the 737 Max continue to fly.” The Chairman of the House Transportation Subcommittee made no mention of the fact that he and his colleagues recently passed the FAA Reauthorization Act, which gives Boeing and other airplane manufacturers even more freedom from regulation and oversight.

Moreover, the US government along with state and local municipalities have underwritten Boeing’s operations. Since 1994, Boeing has received $74 billion in government subsidies and loans, $14 billion of which have come just from the state of Washington. This money has been funneled from the working class directly into the pockets of executives and large shareholders.

This makes clear the relationship between the US government and Boeing, the country’s second largest defense contractor and the largest exporter. They do not have an adversarial relationship, but rather represent the nexus between giant companies, the state, and the military.

Despite obvious and mounting evidence of criminal negligence on the part of Boeing executives that led to the deaths of over 300 people, no criminal charges have been brought against the responsible parties. This is fully in keeping with recent precedent, in which even the most horrendous corporate malfeasance has resulted in no prosecutions. But justice for the victims, not to mention the safety of the public, requires that the executives and government officials responsible for these crimes be held to account.

Such connections and Max 8 disasters are not merely symptoms of corporate greed, but the end result of the capitalist system itself, which subordinates all social needs to private profit. There is a basic contradiction between the interests of society, including safe, efficient and inexpensive air travel, and the private ownership of essential industries, as well as the division of the world economy among rival nation states. The same basic contradictions of capitalism are fueling the geopolitical and economic conflicts that threaten nuclear war and ecological disasters.

The only way to prevent further disasters is to take the profit motive out of commercial flight, end the dominance of Wall Street and replace the nightmare of the capitalist market with a rationally planned and internationally organized system of air transport. This requires the nationalization of the airline and aerospace companies and their transformation into publicly owned and democratically controlled utilities.

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