



ISSN: 0975-833X

Available online at <http://www.journalcra.com>

INTERNATIONAL JOURNAL
OF CURRENT RESEARCH

International Journal of Current Research

Vol. 16, Issue, 05, pp.28488-28493, May, 2024

DOI: <https://doi.org/10.24941/ijcr.47314.05.2024>

RESEARCH ARTICLE

IN REFERENCE TO REGULATION THEORY, THE REGULATION MODEL OF AIR TRANSPORT SECTOR SHOWS THESE LIMITS DURING COVID19 PANDEMIC: THE CONTRADICTIONS OF THE ACCUMULATION MODEL EXPOSED

***Wendsongré Jean Claude Yanogo**

Centre International d'Intelligence et de Notation- CIIN

ARTICLE INFO

Article History:

Received 20th February, 2024
Received in revised form
25th March, 2024
Accepted 14th April, 2024
Published online 30th May, 2024

Key words:

Air transport sector, Regulation theory,
Accumulation model, Covid19, Systemic
risk

***Corresponding author:**

Wendsongré Jean Claude Yanogo

Copyright©2024, Wendsongré Jean Claude Yanogo. This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

Citation: Wendsongré Jean Claude Yanogo. 2024. "The Regulation model of the air transport sector shows these limits with the covid19 pandemic: the contradictions of the accumulation model exposed". *International Journal of Current Research*, 16, (05), 28488-28493.

ABSTRACT

The covid19 crisis revealed the air transport sector's great vulnerability to health crises, to the point of drawing questioning glances at the sector's accumulation model. Between March and May 2020, the management of flights cancelled due to the pandemic was the subject of a cacophony resulting from conflicts between airlines and their customers. Drawing on regulation theory, the article analyzes the accumulation model in the air transport sector and presents the limits of this sector regulation model.

INTRODUCTION

"If there is one sector of the economy that will have difficulty recovering from the covid19 crisis, it is the air transport sector (IATA, 2020)"

These assertion from the International Air Transport Association (IATA) reflect the impact that the covid19 crisis has had on the air transport sector and show the negative impact of covid19 on the sector. From border closures to Covid-19 lockdowns around the world, the air transport sector, which relies on the mobility of people and goods, has been hit hard. The lockdown measures have led to a near-total halt of international flights worldwide, and significantly reduced domestic flights in most countries. Many voices indicate that even after the opening of borders, the recovery could be timid insofar as it has been put into the heads of "people" that distances must be limited in order to prevent covid19 (Bérubé, 2020). "As the cancellation is the result of exceptional circumstances in the context of the COVID-19 pandemic, customers are unable to obtain a refund." These words, collected by Radio-Canada in April 2020 during the covid19 pandemic, are from Air Transat's Director of Public Relations (de Montigny, in Radio Canada, 2020). Several Canadian and foreign companies have refused to reimburse their customers.

Air Canada, Air France, Lufthansa to name but a few major airlines have said the same thing to their customersⁱ. Much has been written about the management of flight cancellations and has shown the vulnerability of customers to these multinational airlines. Using the theory of regulation and from an interdisciplinary perspective, this article provides a literature review based on press articles and airlines' policies for managing cancelled flights, from March to May 2020. The article takes a critical look at the commercial practices of these airlines, including the management of flight cancellations over the period from March to May 2020. Finally, the article questions the effectiveness of the sector's regulatory policies and questions the governance of these airlines. The period from March to May 2020 was chosen because it focuses on the beginning of the airlines' dithering on the management of cancelled flights and refund policies. It is also marked by the attempt by IATA, in union with several airlines, to bend national and EU regulations in order not to reimburse customers.ⁱⁱ

The Theory of Regulation: The theory of regulation appeared in France in the seventies and supported by authors such as Robert Boyer and Michel Aglietta. The theory is concerned with changes in capitalism over long periods of time and offers tools for understanding economic crises, destabilizing factors and institutional trade-offs at play

(Boyer, 2003). Contrary to the neoclassical vision, which considers the market relation as a spontaneous confrontation of economic agents (Boyer 2003), the theory of regulation considers that this exchange relation is the result of a social construction (Boyer, 2003). While the theory of regulation aligns itself with Marxist theory in distinguishing the capital-labour relation of production from the market relation, it thinks, on the contrary, that there are several types of accumulation that are a function of the wage relation, forms of competition, monetary constraints and the configuration of institutions (Boyer, 2003). Regulation theory addresses the macroeconomic question holistically based on fundamental social relations. It seeks to determine the institutional design likely to enable the long-term vitality of accumulation models and to prevent crises. The purpose of the TR [Theory of Regulation] is therefore to explain the list of institutions necessary and sufficient for the viability of a capitalist economy, and then to analyze their dynamics within each institutional architecture observed over a given geographical area and period (Boyer, 2003, p81). Regulation appears to be a mediation between private and collective interests by the force of institutions, likely to give a long-term perspective to an economy. For Aglietta (1999), the mode of regulation is neither the result of private contracts nor the expression of a social one, but is rooted in civil societies, often in sustainability, and adapting to the times (p.276). The social influence on the mode of regulation makes it possible to assess the modes of state intervention in certain sectors, notably the banking sector, but also the air transport sector, which are regularly rescued by the states. We can recall the bailout of the American banking sector in 2008. Obama's former president administration's use of printing money to save the sector has been criticized by some schools of thought who believe that it is not up to society to pay for a minority of shareholders (Borrits, 2020). Criticizing this fact, Boyer (2013) argues that "supposedly self-regulating financial markets have in fact been the scene of crises that have often had dramatic effects on the economy and society" (p.105). These critics believe that these institutions that benefit from government interventions do not share the fruits of their profits during their peak periods, a way of pointing out the lack of equalization that is contrary to the accumulation model at play in the sector (Boyer, 2003). But the financial sector is not the only one to which critics are directed who call for a change in the model of accumulation and regulation. Indeed, the air transport sector, more than the banking sector, regularly calls for state intervention because of the recurrence of imbalances that the sector is experiencing. As in the banking sector, state intervention in other sectors, notably air transport, deserves to be questioned. Is it such a systemic sector, especially if we comb through the business model of these big airlines? It is clear that society is questioning the recurrent rescue of these sectors, particularly the air transport sector. The advent of Covid-19 has made it possible to see the structural fragility of the aviation sector and the risk it poses to society. We can recall the almost generalized indignation that marked the world news when most airlines refused to reimburse their customers, on the pretext of covid19, and overstepping the contractual rules, sufficiently legislated for the needs of regulation in mediation of private and collective interests (Aglietta, 1999).

Regulatory Theory and the Air Transport Industry: Regulation theory is more closely related to macroeconomics, but it can be applied at the meso level insofar as specific

interactions take place at this scale, particularly at the sectoral level. But there is little literature that analyzes the accumulation and dynamics of regulations in the sector. As a result, sector-specific analysis makes it possible to measure the relationships between fundamental institutions, the accumulation regime and regulation in this sector and to identify elements that make it possible to prevent crises. For Bartoli and Boulet (1990), "sectors correspond to spheres of activity where particular institutional arrangements are deployed that can be defined on the basis of a social labour relationship, individual capital confronting each other in the competitive framework or international regulations that frame the dynamics of the sector" (p.313-314). Du Tertre (2002) believes that the services sector, which includes air transport, has sectoral specificities that call for the introduction of new institutional regulations. The author makes four observations: firstly, there is the need to regulate the quality of the offer, thirdly, the need to consider working time as the main determinant of the cost of the service and therefore its availability, and finally there is a need to consider emerging social needs (du Tertre, 2002). In the case of the air transport sector, which is marked by the diversity of offers, and where quality of service has become more than a norm, as society has refined its expectations over time, the regulation takes place between compliance with its requirements and the need to maintain a potential source of manpower. But economics, particularly the meso dimension, is based on strategic choices under constraint, which operate under regulation. Covid-19 has revealed the fragility of the air transport sector to the point that the necessary mediation between private and collective interests (Aglietta, 1999) in this sector became necessary. There is an urgent need to reconcile private interests and the collective conditions of life in society through regulation (Aglietta, 1999).

It is the mode of regulation, a set of rules, routines and institutions that act on behavior in such a way as to reconcile private interests and the collective conditions of life in society. The mode of regulation is neither the result of private contracts nor the expression of a social contract. It is rooted in civil societies (Aglietta, 1999, p.275). With reference to the sector specificities of du Tertre (2002), particularly on the quality of the offer, which could contribute to rethinking regulation in the service sectors, the analysis of the transport sector over the period from March to May 2020 during covid19 shows that the quality of the offer in airlines has never been so criticized. Indeed, faced with the covid19 phenomenon, companies have simply broken off communication with their customers: customer service cannot be reached by phone, customer requests not taken into accountⁱⁱⁱ. These companies are arguing for good reason, as their worrying financial health puts them on the verge of bankruptcy^{iv}. But their financial imbalances have become structural over time, at the risk of undermining the rights of individual clients. According to Du Tertre (2002), it seems necessary to readjust regulation in order to prevent crises, in the institutional configuration where the accumulation regime sometimes favours structural imbalances to the detriment of consumers. Without risk of being mistaken, we can say that covid19 has made it possible to see the unpreparedness and great vulnerability of airlines^v, some of which have long been "on a financial drip" from the public authorities. We recognize the vulnerability of the air transportation sector and the challenges it faces, but we also recognize the economic concerns of Canadians.

We are going to work with the sector, with the airlines and with the groups of Canadians who are concerned to try to find solutions" (remarks by Canadian Prime Minister Justin Trudeau collected by H el ene Buzzetti and Marie Vastel, in *Le Devoir*, May 2020). To clarify the conflicts of interest between airlines and their customers, we will first review the problems arising from the management of cancelled flights over the period from March to May 2020 to identify the problematic points. We will critically review the credit policy put in place by companies in lieu of reimbursement. Next, we will review the accumulation model in the sector, on the management of sums received in advance from customer reservations, the total openness to the speculative market and the plausible systemic risks.

Canadian, U.S. and European regulations on flight cancellations: For practical reasons, we will spare you the need to report on the legislation of the various countries on the issue and therefore we will limit ourselves to the Canadian, American and European regulations on air transport, in particular on the aspects dealing with the management of cancelled flights. The European regulations that apply to the 27 member countries of the European Union provide for compensation rules in the event of flight cancellation. In the event that the cancellation is decided by the company, the customer has the choice between requesting a refund or another booking. In the case of a refund, the company has seven days to proceed (EC Regulation No 261/2004 of the European Parliament and of the Council). The EU refund rules are similar to those set out in Canadian regulations (Transport Canada Directive SOR/2019-150) and the United States regulations (E-CFR-N. 74 FR 69002, dated December 30, 2009). Indeed, in Canada, any flight cancellation made by the company leaves the customer with the choice of a new booking or a refund. In the latter case, the refund if requested by the customer must be effective within thirty days of the submission of the request (Transport Canada Directive SOR/2019-150). On the subject of force majeure, European regulations stipulate that "the carrier is not obliged to pay compensation if it can prove that the cancellation is due to extraordinary circumstances that could not have been avoided even if all reasonable measures had been taken" (EC Regulation No. 261/2004 of the European Parliament and of the Council, Art5). To address the issue raised by airlines' refusal to reimburse their customers during the hot periods of covid19, i.e. the period of interest of this March to May 2020 study, we will present the cases of flight cancellations and their implications.

The problem of managing cancelled flights: As of December 31, 2018, global passenger traffic per revenue kilometer (RPK) reached 4.3 billion. In recent years, the average growth rate in passenger transport has averaged 6% (IATA, 2019). ICAO statistics show that more than half of all tourists, or 1.4 billion people, flew in 2018. With a wide range of business models ranging from *low-cost* to first-class flights, customers have a choice, the sector has never attracted so many people (ICAO, 2018). This trend was maintained until the end of 2019 – the beginning of 2020 before the outbreak of covid19. As noted earlier, the distancing recommended to prevent the contamination of the covid19 disease and the ensuing closure of borders has led many passengers, tourists, business people and others to cancel their trips. We do not have the analytical figures on cancellations that specify cancellations initiated by airline

customers, as our approach to IATA to obtain this data has not been successful. It should be noted that in March 2020 in the early hours of the pandemic, companies such as Air France KLM announced the reduction of their flights by 70% to 90%, Air Canada 50% and the German Lufthansa 90% of its long-haul flights, while Austrian Airline decided to ground its entire fleet (Codere, Dubuc, Morissette and Vallieres, 2020). Faced with the closure of borders and the fear caused by the pandemic, the possibility of operating flights was drastically limited for airlines, and the few routes that remained operational offered fewer opportunities for airlines to optimize their flights, as the number of passengers decreased. The airlines then began to cancel the flights themselves. But these cancellations decided by the airlines left customers in the dark who did not know if they would be refunded. Indeed, many airlines have not clearly stated their cancellation policies during covid19. However, these companies did not want to apply what the regulations indicate. For example, in European regulations, refund requests arising from flight cancellations decided by airlines must be processed within seven days (EC Regulation No. 261/2004). U.S. and Canadian regulations also provide for refunds in the event of flight cancellations. However, most regulations leave the force majeure window open, which allows airlines not to make refunds. But in the case of covid19, the USA demanded reimbursement from its nationals from the beginning of the pandemic (Gallant, 2020, 2020); a position that was followed by the European Union. But despite everything, many companies defended the non-refund, preferring to offer credit notes to their customers. In Canadian regulations, for example, the principle of reimbursement in the event of a cancelled flight is also in place, even though the authorities invoked at the beginning of the pandemic provision N.10 Directive-SOR/2019-150, leaving Canadian airlines such as Air Canada and Air Transat free to offer credits. Nevertheless, this position of the federal government was contested, and a motion of the Quebec National Assembly calling for the respect of customers' rights to reimbursement was adopted (Parliamentary Mail, 2020) and forwarded to the federal government^{vi}.

Brandishing the risks of bankruptcy (IATA, 2020a), several airlines have offered credit notes instead of the reimbursement provided for by the regulations. But these assets are valued differently, because they appear to be de facto taxed on clients. The value of these assets was called into question, especially when the issuing companies even mentioned their probable bankruptcies. These new "financial instruments of a different kind, unhomologated" deserve attention in terms of their durability and credibility. The opposing voices, carried by the airlines and IATA, their umbrella company, put forward the reasons for force majeure in reference to the covid19 pandemic. As can be noted, this is an interpretation of law in which we refrain from committing ourselves, we do not have the competence to exercise. We just present the issues at stake, in particular the "conflict" between private and collective interest that Aglietta (1999) mentions, and we rightly question regulation in this context.

Credits Refunds on Cancelled Flights – Risks and Uncertainties: Some regulations provided for the possibility for airlines to offer credit notes to their customers as a means of postponing their trip in the event of cancelled flights, but none of them stipulated that they offer credit as the exclusive instrument of coverage for the customer, specifically

excluding reimbursement (Canada-SOR/2019-150; Regulation (EC) No 261/2004 (European Union). In the context of covid19, the fact that several airlines systematically offer credit notes to their customers who have had their flights cancelled, without offering them the choice of being reimbursed, shakes up the texts on consumer protection and calls into question the rights of the customer. Better still, these practices call into question the necessary mediation between private and collective interests that is imposed on regulation (Aglietta, 1999) and lay bare the excesses of certain models of accumulation (Boyer, 2003; du Tertre, 2002). It should be noted in passing that throughout the waiting period of twelve or twenty-four months of validity of the credits, the companies will continue to exploit these sums and even in the event of a repayment in the future, no interest will be paid to customers. European Commissioner for Transport Adina Valean, as if to point out the shortcomings and risks of these "pseudo-financial instruments", has repeatedly mentioned the need to guarantee them against the possible bankruptcy or insolvency of their issuers (Air Journal, 2020). Indeed, if these companies issuing these assets were to disappear, the customers holding them would record deadweight losses and would fall into line with the long list of priority or unsecured creditors. Why have large airlines, presented as modern companies, shown little resilience to the consequences of covid19? We will review the accumulation model of this sector.

Analysis of the Air Transport Sector's Accumulation Model:

An analysis of the airlines' business model shows that their operation requires a lot of money, with aircraft fleets being expensive and human resources costs significant (Pearce, 2020). IATA estimates that airlines have 49% of fixed costs (Pearce, 2020). The air transport sector is also one of the most competitive, especially on international flights. To understand the accumulation model in this sector, it is necessary to analyze the mechanisms by which the clusters of accumulation relate (Boyer, 1986, p.48). If we analyse the air transport sector from the exclusively domestic dimension of the market, in the absence of a monopoly, we can say that the accumulation model is exclusively dependent on the competitive mechanisms which, through the ex-post confrontation of the market, set prices and therefore margins (Hollard, 2002, p.162). But in reality, the majority of airlines operate in several markets, beyond domestic borders, and therefore interact with several regulatory centres and several economies. Unlike highly domestic sectors such as restaurants, where competitive dynamics govern accumulation under several fractional accumulation centres (Boyer, 1986), the air transport sector will have to integrate international market parameters for several reasons.

In the international context, the accumulation model in the air transport sector will be characterized by competitive dynamics that will set ex-post prices, but not only; since among foreign competitors there are players, often in a monopoly situation in their domestic markets and whose accumulation model is a function of the rules of socialization of prices ex-ante domestic. In this context, in a situation of respective open skies, an airline in a monopoly or quasi-monopoly situation in its domestic market that tames international market prices will influence the accumulation model of other foreign airlines. As shown in Figure 1, this phenomenon of price competitiveness can be accentuated by exchange rates.

All of which shows the mutual influence of models of international accumulation in the same sector in a free market context. In the short term, these imbalances do not necessarily have an impact on domestic forms of regulation. But in the long term, they can, on the other hand, induce a review of regulatory and/or institutional forms in order to integrate the exogenous factor for the macro equilibrium of the respective domestic economies. For example, an airline such as Emirates Airlines, which has a near-monopoly in its domestic market, could charge competitive prices that are favoured by the accumulation model and domestic forms of regulation. These prices are likely to influence the accumulation patterns of competing airlines over a long-term period. These dynamics of international competition demonstrate the complexity of understanding the accumulation model of certain sectors. Despite the repeated interventions of some States in favour of their airlines, the problems reappear at the slightest crisis and suggest that the accumulation models in this sector may be obsolete, if not for the institutional forms or the regulation that need to be revisited. Covid-19 has laid bare the imbalances in a sector already weakened by successive crises.

The impact of covid19 on the air transport sector has revealed meso-systemic economic issues. Indeed, the refusal to reimburse cancelled flights decided in quasi-union by airlines at the beginning of covid19 already transposed the problems of sectoral imbalances to other economic actors, in particular individuals and corporate customers of these airlines. From a strictly economic point of view, this resembles the forced demand for a social anointing in favour of the accumulation model of the suffering sector. It could also be interpreted as an attempt to shake up the institutional forms of regulation. Despite the procrastination at the beginning of the crisis, most states opted for institutional stability by requiring airlines to comply with the prescribed refund rules for cancelled flights. However, liquidity injections in favour of airlines have been observed in several countries and once again confirm the continued instability of the sector.

These are amounts received in advance from customers, which for some companies represent systemically important amounts. There is every reason to believe that the regulatory institutions in place do not regulate the use of the sums conceded and therefore leave the way open for their use. However, it is not uncommon these days to see companies, including airlines, changing their coats, taking part in speculation on the financial markets; an activity of a nature other than air transport. On this question, one could recall, not without irony, the paradoxical posture of American car manufacturers before the 2008 crisis. The latter, by dint of speculation on the financial markets, have turned away from innovation, effectively denying their core business to the point of being left behind by their Japanese competitors. It is true that airlines operate in an ecosystem where the aeronautics industry involves small and medium-sized enterprises (SMEs) that gravitate around the chain. However, in the face of the recurrence of state interventions in favour of the sector, and persistent imbalances, there seems to be a need to revise the compromise in this mediation between collective and private interests (Aglietta, 1999).

Counterparty Risks – Plausible Systemic Risks and Regulation Question:

Covid-19 has exposed social and governance issues and exposed sectoral imbalances. The cacophony over airline ticket reimbursement has revealed shortcomings in airline governance and risks that deserve to be taken into account by regulators. The sums at stake in booking airline tickets are enormous and cannot be left to the mercy of the airlines alone. To repeat oneself would be to mention the fact that the customer cannot be the sacrificial sheep in the risks run by airlines. In view of the fact that they record large sums of money from customer bookings over relatively long periods of time, they appear to be depositing managers without being financial institutions. Since they are not, they are freed from the rules governing the management of such sums, exposing "depositors" to losses as soon as the slightest problem arises. In Canada, for example, the Office of the Superintendent of Financial Institutions (OSFI) oversees the smooth running of the banking system and places a strong emphasis on protecting depositors. Alongside OSFI, for example, we know that the Canada Deposit Insurance Corporation (CDIC) provides coverage for any deposit made in a bank up to a maximum of one hundred thousand dollars. In other parts of the world, in Europe, the USA and elsewhere, similar rules exist and help to safeguard economies, the interests of the population, balance and social tranquility. In some cases, "systemically important" sums^{vii} received from customers are collateral provided^{viii} by banks. This collateral is a kind of reserve with third parties such as the central bank or any other regulatory body, and which guarantee the sums received from customers in deposits. From the above, it can be noted that the rules for the airline sector are different from those applied to the banking sector. In the first case, the rules do not incorporate the notion of risk on amounts received in advance from clients in any way; sums that nevertheless have the characteristics of a deposit since there is no consideration realized.

CONCLUSION

We have advocated the creation of collateral which will depend on the level of booking of each company. This level, which is intended to be adjustable par excellence, could be determined by estimating the average amount of money mobilized in reservations over a given period. Another possibility would be to simply split the airlines' business in two; one that would be dedicated exclusively to the transport activity and the other to the management of funds from reservations, which would be regulated like the institutions receiving financial deposits. Beyond the sectoral nature of our analysis, it is the model of accumulation that is put to the test here and which questions regulation and its institutional forms.

REFERENCES

- Aglietta, M., 1999, The Transformations of Contemporary Capitalism, In Bernard
- Chavance, Éric Magnin, Ramine Motamed-Nejad, Jacques Sapir (eds.) Capitalism and Socialism in Perspective. Evolution and Transformations of Economic Systems, Paris, Ed. La Découverte, 1999
- Bartoli P. and Boulet D., 1990, "Conditions of an approach in terms of regulation
- Sector: the case of the winesphere", Cahiers d'économie et de sociologie rurales, n°17, pages 7 to 38 Bérubé G. 2020. Airlines are shaken by the epidemic <https://www.ledevoir.com/economie/574359/covid-19-les-compagnies-aeriennes--shaken> Blancmont T. 2020. Reimbursements: 17 companies sued in Spain; Air Journal, <https://www.air-journal.fr/2020-06-04-remboursements-17-compagnies-poursuivies-en-espagne-5220629.html>
- Borrits, B. 2020. Instead of saving capitalism, it is urgent to invent another economy, <https://www.bastamag.net/crise-economique-capitalisme-chomage-PIB-Banques-centrales>
- Boyer, R. 2003. Institutions in the Theory of Regulation. Economics Notebooks Policy, 44(1), 79-101. doi:10.3917/cep.044.0079.
- Boyer, R., 1990. "The problems of regulation in the face of sectoral specificities. Perspectives opened up by the thesis of Pierre BARTOLI and Daniel BOULET," Cahiers d'Economie et de Sociologie Rurales (CESR), Institut National de la Recherche Agronomique (INRA), vol. 17.
- Boyer, R. 2013. The Global Financial Crisis in Historical Perspective: An Economic Analysis Combining Minsky, Hayek, Fisher, Keynes and the Regulation Approach. Accounting, Economics and Law. 3. 10.1515/ael-2013-0030.
- Codères, J-F, Dubuc, A, Morissete, N, and Vallières, M, 2020. COVID-19: When Everything stops! The press; <https://www.lapresse.ca/affaires/2020-03-17/covid-19-quand-tout-s-arrete>
- De Montigny P. 2020, COVID-19: Are Canadians entitled to a refund of Their cancelled flights? Radio-Canada, <https://ici.radiocanada.ca/nouvelle/1692682/voyageurs-passagers-annulation-vols-office-transport-canada>
- Du Tertre, C. (2002). The sectoral dimension of regulation. In: Robert Boyer ed., Theory of regulation, the state of knowledge (pp. 313-322). Paris: La Découverte.
- ICAO, (2018), The World of Air Transport 2018, ICAO; <https://www.icao.int/annual-report-2018/Pages/FR/the-world-of-air-transport-in-2018.aspx> ; Accessed 15/08/2020
- E-CFR, (2020), Electronic Code of Federal Regulations, <https://www.ecfr.gov/cgi-bin/text-idk?sid=4258f506cd06a7ay43a623974406760c&mc=true&node=pt14.4.259&rgn=div5>
- Finance & Investment, 2020, Banking & Government: Closer Ties Over Time pandemic; <https://www.finance-investissement.com/nouvelles/actualites/banks-and-government-ties-tightening-in-pandemic-time/>
- Gallant, N. (2020), Stocks: Why Airlines Are Likely to Disappoint; Capital; <https://www.capital.fr/entreprises-marches/bourse-pourquoi-les-compagnies-aeriennes-risquent-de-decevoir-1373111> ; Accessed 20/07/2020
- Hélène Buzzetti, H. and Vastel, M, 2020, Justin Trudeau seeks a solution to the non-reimbursement of airline tickets, Le devoir, <https://www.ledevoir.com/politique/canada/579434/justin-trudeau-cherche-une-solution-au-non-remboursement-des-billets-d-avion>
- Hollard, M. (2002). Forms of competition. In: Robert Boyer ed., *Théorie de la regulation, the state of knowledge* (pp. 162-170). Paris: La Découverte.

- Holling, C. S. (1973). Resilience and Stability of Ecological Systems. *Annual Review of Ecology and Systematics*, 4(1), 1-23. doi:10.1146/annurev.es.04.110173.000245
- IATA, 2019, Slower but steady growth in 2019, IATA; <https://www.iata.org/contentassets/12851812b6e6455eb8363726eb326fef/2020-02-06-01-fr.pdf>; Accessed 15/06/2020
- IATA, (2020a), IATA Economics' Chart of the Week; IATA, [https://www.iata.org/en/iata-repository/publications/economic-reports/airline-liquidity-crunch-\\$61-billion-drain-on-cash-reserves-in-q2/](https://www.iata.org/en/iata-repository/publications/economic-reports/airline-liquidity-crunch-$61-billion-drain-on-cash-reserves-in-q2/); Accessed on 15/08/2020
- The Parliamentary Courier, (2020), Reimbursement of Airline Tickets-A Motion carried unanimously; <https://lcp-lag.com/article/une-motion-adopt-eacute-e-agrave-l-rsquo-unanimite-eacute-35237>
- Pearce B., (2020), Covid19, Cash burn analysis; IATA report Mars 2020,
- Petit D-M, (2017), Yield Management and Air Transport; <https://www.orym.ca/yield-management-et-transport-aerien/>
- Regulation (EC) No 261/2004 of the European Parliament and of the Council of 11 February 2004, https://eur-lex.europa.eu/resource.html?uri=cellar:439cd3a7-fd3c-4da7-8bf4-b0f60600c1d6.0007.02/DOC_1&format=PDF
- Canadian Air Passenger Protection Regulations, SOR/2019-150, <https://laws-lois.justice.gc.ca/fra/reglements/DO RS-2019-150/TexteCompleet.html>
- Valean A. (2020), European Union, the refund rule for cancelled flights, Air Journal; <https://www.air-journal.fr/2020-05-14-europe-la-regle-cest-le-remboursement-des-vols-annules-5220158.html>; Accessed 20/07/2020
- ⁱ Seventeen airlines sued, <https://www.air-journal.fr/2020-06-04-remboursements-17-compagnies-poursuivies-en-espagne-5220629.html>
- ⁱⁱ <https://www.air-journal.fr/2020-07-16-la-supplique-de-liata-en-faveur-des-avoirs-5221491.html>
- ⁱⁱⁱ A significant number of airlines maintain a great deal of uncertainty around reimbursement. Some discourage passengers, such as British Airways, forcing its passengers to call unreachable customer services to be reimbursed, when procedures could be done online. <https://blog.flight-report.com/covid19-vol-annule-rembourse/>
- ^{iv} Coronavirus: airlines call for help; <https://www.lapresse.ca/affaires/economie/2020-03-16/coronavirus-les-compagnies-aeriennes-appellent-au-secours>
- ^v The coronavirus crisis has shown the vulnerability of airlines due to the interruption of regular passenger transport routes. Also suffering from over-indebtedness due to mismanagement, LIAT, which operated 491 flights a week in 15 Caribbean countries, is bankrupt; <https://la1ere.francetvinfo.fr/martinique/covid-19-ruinee-crise-son-endettement-liat-depose-son-bilan-848768.html>
- ^{vi}-(LCP) A motion unanimously adopted by the National Assembly calls on the Canadian government to order airlines and other carriers under federal jurisdiction "to allow customers whose trips have been cancelled due to the current pandemic to obtain a refund". <https://lcp-lag.com/article/une-motion-adopt-eacute-e-agrave-l-rsquo-unanimite-eacute-35237>
- ^{vii} Systemic risk is the risk that a particular event will have a chain reaction of significant negative effects on the system as a whole, which can lead to a general crisis in its functioning. <https://www.lafinancedepourtout.com/decryptages/crises-economiques/mecanique-des-crises/risque-systemique/>
- ^{viii} Collateral is the set of assets, securities or cash pledged by the debtor counterparty to the creditor counterparty to cover the credit risk resulting from financial transactions negotiated between two parties. In the event of default by the debtor, the creditor has the right to retain the assets pledged as collateral in order to compensate itself for the financial loss suffered. <https://www.fimarkets.com/pages/collateral.php>
