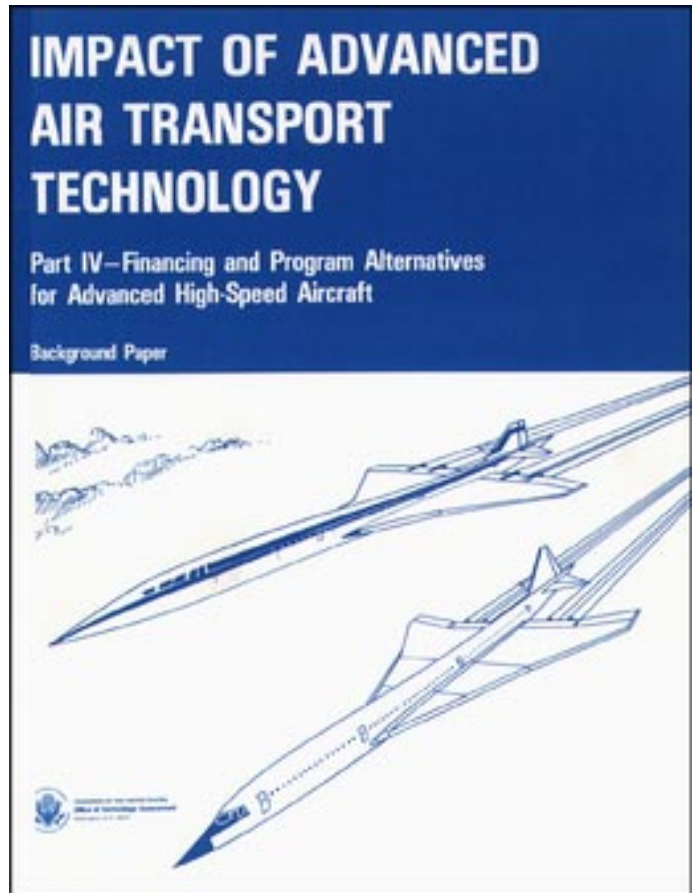


*Financing and Program Alternatives for  
Advanced High-Speed Aircraft*

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# Foreword

This background paper examines the potential financial and managerial barriers to carrying out—at some future date—a large-scale program to create a new high-speed, long-range commercial air transport employing new technology. It is the fourth and final segment of a broad assessment of the economic, environmental, energy, societal, and safety aspects of technological advances that might occur in several types of transport aircraft. Specifically, it supplements the earlier OTA report, “Impacts of Advanced Air Transport Technology: Part I—Advanced High-Speed Aircraft. ”

This paper examines the technological, market, and financial risks such a venture would entail and the ability of the U.S. aerospace industry to assume them. In this context, a number of financing and management options have been identified that should be examined further if such a program is given serious consideration.

The overall assessment had its origins in a request by the House Committee on Science and Technology that OTA examine the implications of the possible widescale introduction in the future of advanced high-speed aircraft. OTA initiated a broad and long-term exploration of the potential for advanced air transport technology, both passenger and cargo. In addition to advanced high-speed aircraft, both subsonic and supersonic, the overall assessment includes those aircraft used in providing service to small communities and in transporting air cargo.

In doing this study of financing and program alternatives, OTA was assisted by an advisory panel and a working group, each comprised of individuals from the private sector, representatives from Government agencies, the aerospace industry, public interest groups, financial institutions, and universities. These individuals and their respective organizations contributed greatly to the outcome of this report.



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