

AMERICAN EXPRESS ANNOUNCES TRAVEL FORECAST FOR 2009



This year has provided an exception to the rule in terms of American Express's forecasts for the financial conditions of the coming year. Due to increasingly worrying economic conditions and the so-called global financial crisis, modifications have been made in the last 30 days to the original estimates.

The latest estimates do not necessarily make pleasant reading for business and pleasure travellers for 2009. American Express expects average cost of a domestic trip to rise 2.8%, or \$30, to \$1,030, and average cost of an international trip to increase 4.3%, or \$147, to \$3,056. This metric, average trip cost, consists of air, hotel and car rental costs.

These increases are due to the following fact: whenever, in any field, a big business organisation or an area of business gets into trouble, the consumer always pays for the management areas to get out of trouble. The man at the bottom feels the full force of any crisis whereas those at the top tend to, bar a few exceptions, just make adjustments.

The forecasted increases in price do not only relate to airfares, yet mostly to a plethora of other charges, which the airlines have invented to make up for losses or potential losses elsewhere.

Extra charges are fees for in-flight meals, in-flight movies and drinks. It could be said that these are fair charges as it is possible to take one's own food onto the aircraft so the charges are applicable as they are in any other shop. This does not apply, of course, to drinks on EU flights, whereby passengers are often forced to pay extortionate prices for drinks on board in order to avoid dying of thirst.

The biggest complication comes in the form of airlines charging for luggage to be checked in. Passengers are, thus, left with an extremely pleasant choice between being forced into paying for something they never used to have to pay for or leaving their belongings at the airport. In most cases this is called blackmail; airlines choose to call in charges.

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