

Jeff Krukin

When Politics and Economics Collide

What roles, if any, should NASA play in the development of commercial space ventures? Many people have grappled with that issue over the years, but as the development of commercial space transportation and orbital infrastructure advances, finding the right answer is becoming increasingly important.

Why the rush for an answer? Because the United States finally has reached a plateau of enlightenment regarding its future in space. Voices within NASA, Congress and the White House are talking forcefully about commercializing space.

In early October, the U.S. House of Representatives passed H.R. 1702, the Commercial Space Act of 1998. This new law streamlines regulations and promotes a stable business environment for the commercial space industry. On Nov. 16, NASA released its Commercial Development Plan for the International Space Station. Both of these developments are signs of progress, but they are not enough. This new enlightenment must be pushed to a summit by private-sector activity or it will collapse into a valley of failed expectations.

Although the government is moving in a direction that supports commercial space ventures, its appropriate role must be forcefully debated and decided. This need

Jeff Krukin is vice president of ProSpace, a citizens' space lobbying group.

was brought to light by Lori Garver, NASA's acting associate administrator of policy and plans, in the *Space News* article "Report: Phase Out Shuttle" [Nov. 16-22, page 4].

Garver stated that when it comes to human spaceflight, NASA does not make purely economic decisions. This is part of her reaction to a report titled "Analysis of Potential Alternatives to Reduce NASA's Cost of Human Access to Space," which was commissioned by NASA last year and released Nov. 6 by financial consultants Hawthorne, Krauss & Associates LLC.

Does this surprise anyone? It absolutely should not. No government agency can sufficiently isolate itself from politics to make purely economic decisions. Political agendas and budgets shape government decisions, and congressional and White House politics shape NASA's agenda and budget. Furthermore, the economic pressures that shape corporate economic decisions do not influence these budgets.

Garver's pronouncement is important for its hidden but very significant mean-

ing: NASA cannot make purely economic decisions, so please do not expect it to.

Shame on anyone who ever expected such decisions to come from NASA, and shame on anyone who expects such future decisions from NASA or any federal entity making space decisions. One simply need study the history of the designs of the space shuttle and international space station to see the lack of purely economic decisions and the power of politics.

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Knowing this, why should NASA have any involvement with commercial space beyond that of pure research and development, and the use of consumer off-the-shelf products and services?

In the same vein, why should Congress interfere with market forces, as Sen. John Breaux's (D-La.) soon-to-be proposed loan guarantee program will surely do?

Breaux is proposing federal government guarantees for financing part of the capital cost of new space transportation vehicles. Why should the federal government choose which new products and services do and do not make it to the marketplace?

The answers can be found in history and current events. Consider the faltering capitalist economies in Asia and you will see the steadfast hand of those nations' governments inhibiting natural market forces.

Remember the great experiment of the Soviet Union, the land of five-year government plans? It collapsed under its own weight of bureaucratic inertia and from an inability to adapt. The only reason the Soviet Union's space program lasted so long is because the government did not have to listen to its people.

It is precisely because the United States government is a government of the people that the country has had an anemic and nonvisionary space program. When the people do not see value and do not provide political support, a political space program will lose its significance and foundation. However, if the people see products and services they want and can afford, companies will provide them, jobs will be created and the economy will continue to expand.

If we want to sustain growth in the nascent commercial space sector; if we want to create a new economy in orbit; then we must strive to guide the overwhelming power of the federal government to its proper supportive role. After all, we did not need a National Automobile and Street Administration to fund and manage every aspect of today's ground transportation.

Investors saw the value, government knew its role, and we all have benefited. Such is the history of this country, and there is no reason this history cannot have a future in space.