



COMMITTEE ON
SCIENCE, SPACE, & TECHNOLOGY
Lamar Smith, Chairman

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Statement of Space Subcommittee Chairman Brian Babin (R-Texas)
Private Sector Lunar Exploration

Chairman Babin: Exploration, particularly space exploration, is inherently and inescapably a matter of vital national strategic importance, both today and in years and decades to come. Because space exploration is so strongly linked to a wide range of current and future national interests, it is easy for us, as lawmakers, to fall into the habit of thinking of space as a strictly government effort.

But not only can space involve the private sector, it must involve the private sector. Fully incorporating newly explored domains into our sphere of economic influence will ensure US leadership in the future. Moreover, space is so vast and immense that it is foolish to propose that we can meaningfully plumb its depths without the resources, talent, and drive that are so abundant in America's private sector. There is no guarantee that the private sector will be successful. To the contrary, there will certainly be failures. But the failures and successes should be determined by the free market. For this same reason, the private sector should not be artificially subsidized by the government. We should not leave our nation's space exploration future purely to the whims of market uncertainties, and we should not bet our nation's future in space on any one company. As we've seen so often in space, companies (and even entire sectors) come and go. Our leadership in space is too important to subject it to that kind of risk and uncertainty.

So while we will begin our discussion here today with NASA's testimony, to provide context and help frame our deliberations, our intent is to understand not just how government-led exploration of space is proceeding, but where the private sector will take us and how these public and private actors will work together for their mutual benefit.

This hearing gives us an opportunity to understand what has worked well in the past, as well as what we could do better in the future. NASA has a vast array of tools at its disposal: traditional contracts, grants, cooperative research and development agreements, various funded and unfunded Space Act Agreements, and anchor tenancy agreements. All of these tools offer unique advantages and risks. Careful consideration should be given to which tool is used in order to ensure that the taxpayer is protected, and that the government does not corrupt the market. Ultimately, I hope we can better understand if, how, and when the Moon can be integrated into human economic activity. The Moon is the closest source of raw materials to Earth. In particular, the lunar poles may contain vast quantities of water,

an invaluable resource for space exploration. Water is not only necessary to support the life of astronauts and crew; it can also be broken down into hydrogen and oxygen, which are excellent propellants.

Industrial, financial, and technical giants like Carnegie, Rockefeller, JP Morgan, and Edison dominated the economic and industrial landscape of the late 19th century America. Advances in information technology in the late 20th century brought us Microsoft, Google, Apple, Facebook, and Amazon.

Will space be the next sector to lead economic growth? I do not know. If space becomes a home and workplace for humanity, if space can become part of our sphere of economic influence, then someday — perhaps in the far future — we will see those industries take root and grow.

We cannot compel such an ambitious outcome, but by careful and thoughtful consideration we can, hopefully and humbly, enable it. At the very least we should not stifle it. I hope that today's discussion will help inform all of our thinking about the future of private sector exploration of space.

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