OBAMA GAVE NASA TO ELON MUSK AS A CRONY PAYOFF TO MUSK FOR CAMPAIGN CONTRIBUTIONS

By Bruce Fein - -

ANALYSIS/OPINION:

Section 1615 of the pending National Defense Authorization Act smuggled in by Sen. John McCain, Arizona Republican, to repay political benefactor Elon Musk proves philosopher Samuel Johnson's adage: "Patriotism is the last refuge of a scoundrel." Thereby hangs a sordid tale of crony capitalism fueled by hysteria over alleged Russian interference with the 2016 presidential election and the specter of another Cuban Missile Crisis.

Space launch services are a cornerstone of national security. The stimulus of competition as opposed to the narcotic of monopoly is necessary to keep launch systems at the cutting edge of science and technology at competitive prices. Thus, Congress required in 10 U.S.C. 2273, "the availability of at least two space launch vehicles (or family of space launch vehicles) capable of delivering into space any payload designated by the Secretary of Defense or the Director of National Intelligence as a national

security payload."

At present, there are but two competitive launch systems for the Pentagon's patronage: the Falcon 9, produced by Space X owned by billionaire Mr. Musk; and, the Atlas V, which uses Russian rocket engines (RD-180) on the first stage of launch. Delta IV is an alternative launch system, but it is scheduled to phase out because of antiquation and expense.

Recognizing the national security risk of reliance on a Russian engine, Congress enacted a launch system ban beginning in 2022. The interim is thought necessary to develop a new launch system with no Russian elements at a competitive price and saving hundreds of millions of dollars in Pentagon expenditures is Space X enjoyed a monopoly. The Department of Defense explained before the Senate Armed Services Committee in 2016:

"Assured access to space requires end-to-end space launch services and not just a rocket engine [because] any effort to simply replace the RD-180 with a substitute engine would require extensive design and engineering changes, as well as significant dynamic and acoustic testing, and would ultimately result in a new launch system, which would require recertification."

Moreover, a monopoly provider of space launch services would charge monopolistic prices and would stunt innovation to avoid stranding its own investment.

Yet that is what <u>Sen. McCain</u> and Mr. Musk's Space X are seeking through section 1615. It would prohibit the Air Force from

seeking to develop new launch systems to compete with Space X's Falcon 9. New rocket engines and modifications to existing launch vehicles is all that would be permitted under section 1615.

But last April, 20 members of the House of Representatives sent a letter to Secretary of Defense James Mattis urging the Air Force to continue planning and funding the development of new launch vehicles. They elaborated: "Investing in the entire launch system through government and industry cost-share partnerships—rather than a specific component—is the fastest, safest, and most affordable way for the taxpayer to achieve these objectives."

What explains <u>Sen. McCain</u>'s enthusiasm for giving Space X a virtual monopoly on space launch systems or vehicles? Follow the money!

Elon Musk has donated handsome sums to the McCain Institute. The billionaire has also donated to the senator's political campaigns. It seems more than serendipitous that <u>Sen. McCain</u> has labored tirelessly to introduce amendments, earmarks, and sister provisions of law to shield Mr. Musk's government-subsidized empire from competition.

Last year, the senator introduced an amendment to the NDAA that would have prohibited the use of Russian rocket engines to launch satellites into space. If it had passed, Space X would have been one of the tiny few of remaining providers.

The Air Force has been emphatic. Until competing engines are fully developed, the RD-180 will remain indispensable until fiscal

2020 because 56 percent of Evolved Expendable Launch Vehicle (EELV) launches until then are relying on its use. Much to <u>Sen. McCain</u>'s chagrin, Congress has retained funding for the RD-180 until 2022. He still has not surrendered. A few months ago, <u>Sen. McCain</u> attempted to stick a ban on the Russian engine in Russia sanctions legislation, but failed.

President Donald Trump should veto any NDAA that includes section 1615. National security is too important to be left to crony capitalism.