

Reagan's Free-Market Moon Shot

By Rainer Zitelmann

You've probably heard of John F. Kennedy's 1962 "moon shot" speech, but perhaps not Ronald Reagan's equally visionary 1984 speech in which he predicted a great future for private space travel.

After the moon-landing successes, American space travel no longer made such rapid progress. It became clear that the state was too sluggish to overcome the next big challenges. Thus Reagan, in his radio address that Jan. 28, promised "to encourage American industry to move quickly and decisively into space."

"Obstacles to private-sector space activities will be removed, and we'll take appropriate steps to spur private enterprise in space," he said. "We expect space-related investments to grow quickly in future years, creating many new jobs and greater prosperity for all Americans. Companies interested in putting payloads into space, for example, should have ready access to private sector launch services. . . . So, we're going to bring into play America's greatest

asset—the vitality of our free enterprise system."

That October he signed the Commercial Space Launch Act, which enabled private enterprises to commercialize space and space technology.

Thanks to visionaries like Peter Marquez, Reagan's vision became a reality. Mr. Marquez was the National Security Council's director of space policy for both the

In 1984 he foresaw the space economy, which has overshadowed the space program.

George W. Bush and Obama administrations. "When I was writing the National Space Policy," Mr. Marquez said, "I kept a copy of Reagan's first space policy on my desk. It emphasized what commercial industry could do. Since then, we had gone away from all these things that were supposedly hard and fast rules of the American ethos: trust industry, trust capitalism, trust

technology. In 2010, I didn't think I was doing anything revolutionary. I was just going back in time to the 1980s."

In recent decades, unfortunately, the trend in the U.S. and many other countries has been toward less capitalism



A SpaceX Falcon 9 rocket.

and more government, which increasingly restricts freedom of entrepreneurship through regulations. But in the space industry things have gone in the other direction. More and more private companies are dominating space travel, led

by Elon Musk's SpaceX. There are now thousands of private companies in the global space sector. According to the latest space investment quarterly report from venture-capital firm Space Capital, over the past 10 years, investors have poured \$298 billion into 1,832 unique space companies. In his book "The Space Economy," Space Capital's founder, Chad Anderson, predicts: "The Space Economy is on track to becoming the dominant source of growth across the global economy."

The first people on Mars likely will be sent by private companies, not government space agencies. Reagan was right that the future of the space economy lies in the free enterprise system. He doubtless would be proud of Mr. Musk and other American pioneers for showing that capitalism isn't the problem but the solution, on Earth and in space.

Mr. Zitelmann is author of "The Power of Capitalism," "In Defense of Capitalism," and "How Nations Escape Poverty."