

**International  
Association of  
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Aerospace Workers**



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OFFICE OF INTERNATIONAL PRESIDENT

February 4, 2010

President Barack Obama  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, D.C. 20500

Dear Mr. President,

At a time when the U.S. economy is mired in the worst recession in 70 years and is in desperate need of a jobs creation program your Administration's proposal to have NASA rely on the private sector to develop and operate manned space craft will contribute to the loss of several thousand well paid domestic jobs. These are the kinds of jobs that our economy needs if we are to have a strong economy recovery. Moreover, it will sacrifice new and innovative industries that could emerge from a NASA which continues to have its own space vehicles.

NASA plays a critical role in both our national and economic security. Our space program has been a critical driver of innovations in such key technologies as computers and composite materials, and plays an important role in emerging industries such as wind energy and sensors to detect biological threats. As NASA's own Scientific and Information (STI) website states, "For more than 40 years, the NASA Innovative Partnerships Program has facilitated the transfer of NASA technology to the private sector, benefiting global competition and the economy. The resulting commercialization has contributed to the development of commercial products and services in the fields of health and medicine, industry, consumer goods, transportation, public safety, computer technology, and environmental resources."

While our military services rely on private contractors to design and build most of their equipment, the military owns the planes, ships, armored vehicles, weapons, information systems, and other key technologies. The armed services also own their domestic bases and operate their own foreign bases. The military, like NASA, uses private contractors, but the military exercises control of its operations and the technology. NASA has owned its manned space vehicles and its launch facilities. Laws and regulations govern NASA and military procurement so that sourcing, security, technology transfers, and a wide range of key decisions promote U.S. security and economic interests.

NASA Administrator Charlie Bolden stated that “NASA will partner with the aerospace industry in a fundamentally new way to provide astronaut transportation to the International Space Station. An enhanced U.S. commercial space industry will create new high-tech jobs and spin off other new businesses that will seek to take advantage of affordable access to space.” Yet he provided no evidence that this privatization proposal would create more jobs or spin off more new businesses than under current policies; and even if it did, that these new jobs and industries are more likely to be located here at home.

The Office of Management and Budget (OMB) makes the unfounded claim that this privatization proposal “Embraces the commercial space industry and the thousands of new jobs that it can create by contracting with American companies to provide astronaut transportation to the Space Station—thus reducing the risk of relying exclusively on foreign crew transport capabilities.” The only reason the United States must rely on foreign launches, while losing thousands of jobs currently engaged in transporting astronauts, derives from the Bush Administration’s misguided policies to phase out the space shuttle before a replacement program was operational. Yet, even with your Administration’s proposal the United States will still be relying on foreign launches since the space shuttle will still be phased out before a private sector program will exist.

OMB also claims “A strengthened U.S. commercial space launch industry will bring needed competition ... and help reduce the cost of human access to space.” Yet OMB does not explain why relying solely on privately-owned vehicles and launch facilities will generate more competition or reduce costs compared to NASA keeping control of its own space flights. Without strong convincing evidence to back up its claim, we have to assume that this is ideological blind faith in private markets and a failure to acknowledge NASA’s long and valuable history of managing complex systems in constrained budget environments.

By dramatically changing the policy under which NASA owns and controls the operation of its manned space craft, the U.S. will weaken both our national security and economic interests. Although details have not yet been made available on your Administration’s proposal there are many areas to be concerned about. These include:

- The movement of critical research, development and design out of the United States, further weakening our science and engineering workforce.
- The movement of production, maintenance, and assembly operations out of the United States as U.S. and foreign-based companies with industrial capacity outside of the U.S. capture this work.
- The loss of high-level manufacturing skills as more jobs are lost in this vital area. This will have a deep impact on the U.S. for years to come and will have direct impact on the development of new industries and technologies

- The failure to adopt strict accountability provisions. We have seen what happens when huge government programs are privatized far too often. As we saw in Iraq, over reliance on contractors can lead to all sorts of disasters, frauds, and abuses that undermine the goals of the U.S. and cost taxpayers' money.
- The private sector may compromise fundamental safety issues. For safety reasons, NASA uses redundancies and back up systems to provide protections from even very low probability problems. When the space shuttle is launched, a second shuttle is also put on a launch pad just in case it is needed to rescue a crew of astronauts. When the private sector is in control of the manned space program, it is only too easy to imagine that safety will be compromised and sacrificed to maximize profits.
- The private sector cannot respond to emergencies as efficiently or as quickly as NASA. If the private sector cannot respond to an emergency, will this responsibility fall to the Federal government and taxpayers?
- The private sector cannot ensure the level of security that NASA exercises. There is tight security when NASA is using its own manned vehicles and launch facilities. Once private sector vehicles are being launch from private sector facilities, it will be hard to maintain the same security levels to protect both key technologies and prevent other threats, including terrorism.
- The continued uncertainty about the financial viability of the private sector space industry poses serious questions over the reliability of essential NASA programs. When a private sector company which NASA relies on for space travel has a disaster or goes into bankruptcy, will the government end up footing the bill? Will this be another example of privatizing profits while the government bears the risks and covers the losses?
- The threat posed by foreign interests who may directly or indirectly control companies that perform work that has been privatized. Do we really want to be dependent on other countries for our space industry?

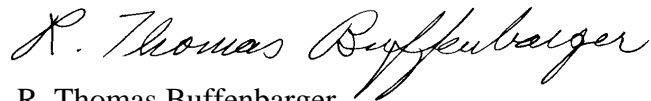
The space industry, whether it is in the U.S., Russia, Europe, Japan, or China, is a creation of government spending. If the private markets could create a successful private space industry we would have seen it develop somewhere by now. Other countries promote their space programs because they understand it is an important industry for both economic and national security purposes.

The push to privatize space travel is similar to efforts to privatize other critical government services. These efforts are based on anti-government ideology and are promoted by companies that want to profit from government outsourcing. It defies common sense to believe that the way to save NASA money is to outsource even more when these same contractors are already frequently over budget and often involved in over-billing and even fraud.

As U.S. Senator Bill Nelson said in a recent hearing “You can’t do it on the cheap.... The problem is that you have put all the eggs in the basket of assuming that those commercial rockets are going to work and that NASA is not going to have to spend a lot more on making sure those commercial rockets are safe for humans. There is no fail-safe position .... If those commercial rockets don’t work, then for the foreseeable future we’re going to be relying on the Russians just to get to our space station. That’s got to be changed.”

I respectfully urge you to reconsider the proposal for NASA to become completely dependent on private contractors for space travel. Thousands of high wage, high skill jobs critical to our long-term economic future are at state. In the meantime, instead of relying on the Russians to launch our astronauts, we need to extend the space shuttle program and accelerate and modify the Ares and Orion program to meet NASA’s mission needs. Only then can we be assured that America will continue to be the world leader in new and innovative space technologies vital to future economic and national security.

Sincerely,



R. Thomas Buffenbarger  
International President

RTB/mb

cc: Senator John D. Rockefeller  
Senator Kay Bailey Hutchison  
Senator Bill Nelson  
Senator David Vitter  
Representative Bart Gordon  
Representative Ralph M. Hall  
Representative Gabrielle Giffords  
Representative Peter Olson  
AFL-CIO President Richard Trumka  
IBEW President Edwin Hill