

Remarks for Mr. Joe Rouge (D/NSSO)
ASA Hearing on Export Controls
March 11, 2008

I'd first like to thank you, Chairman Dubie and ASA delegates, not only for the kind introduction but for the great work that the Aerospace States Association has done.

If you'll indulge me for a minute or two, I'd like to start with a brief description of the National Security Space Office. Borrowing the philosophy from BASF – we don't make space decisions, we make space decisions better. This is our chief mission...to enable decision-making in the National Security Space community. The NSSO facilitates integration and coordination of defense, intelligence, civil, and commercial space activities. We are the only office specifically focused on issues that interconnect our country's space enterprise. We provide direct support to the Department of Defense, National Reconnaissance Office, Joint Staff, Office of the Secretary of Defense, Office of the Director of National Intelligence, – as well as national security space stakeholders.

In the spring of 2005 the former Undersecretary of the Air Force, the Honorable Peter B. Teets – who was also the Director of the National

Reconnaissance Office – directed the NSSO to organize a council to keep him better apprised of the US Space Industrial Base. The Space Industrial Base Council (SIBC) was chartered in 2005 to “ensure the effective and continuing leadership, organization, and culture of the domestic industrial base supporting the entire range of U. S. Government space activities.”

From its genesis, just three short years ago, the SIBC has grown to include 22 government organizations and has considered a host of issues. Most recently, an effort was undertaken to achieve a quantitative assessment of the health of the US Space Industry and factors impacting the space industrial base.

We conducted a Space Industrial Base assessment in 2006 by way of a detailed survey issued to 274 space companies and business units. Survey responses were returned and analyzed by the Bureau of Industry and Securities in the Department of Commerce and the Air Force Research Laboratory. The findings were reported to the Space Industrial Base Council in June 2007. Although we’ve seen several Industrial base studies of the US Space segment, this was our first attempt to accomplish a quantitative analysis of the health of the space industry. It is the quantitative element that really differentiates this study from the others.

In addition to the survey element, we assembled a panel of experts with backgrounds in government, industry, and national security. The Center for Strategic and International Studies was contracted to facilitate this panel and produce a report and briefing. CSIS focused the study on analysis of the Global Marketplace and competitiveness, and U. S. Space Industry Health. The CSIS team reviewed previous studies as well as comments from various government and industry organizations. CSIS also gathered foreign perspectives through attachés at the embassies.

Using the quantitative data from the surveys and the information they gleaned from personal interviews, CSIS issued their findings and recommendations to the Space Industrial Base Council in January of 2008. Among the findings of the CSIS study is that our Space Industrial Base should be permitted to operate as a viable commercial industry, with protections only where necessary to protect specific products and technologies that the government deems necessary for our national security. Specifically, the CSIS study indicates a perception among those surveyed that current export control policy may be constricting U.S. engagement and partnership with the rest of the global space community, and potentially fostering an unnecessary separation between the U.S. space community and

an emerging non-U.S. space community. CSIS based this view on the National Space Policy goal to “encourage international cooperation with foreign nations on space activities that are of mutual benefit”. NSP further states that, “space-related exports that are currently available or are planned to be available in the global marketplace shall be considered favorably”.

So what is the next step?

The SIBC acknowledges that prudent export control policy is necessary to control sensitive technologies. As such, the SIBC is conducting further DoD internal review of the CSIS findings to be followed by interagency discussions. These discussions will take into account ongoing export control reforms like those recently directed by the President.

I am sure we all agree that US national security is critically dependent upon space capabilities. A robust science, technology and industrial base is fundamental to maintaining our position as a global leader in space.

I’d like to thank the Aerospace States Association for inviting me to speak today, and I think we have some time left to address any questions you may have.