

SPACE DAILY

ELECTRONIC & PAPER EDITIONS

Year 5. No 725

Friday/ 5 February 1988

Page 1

* * * * *

Highlights

- * **GM/Hughes to buy Western Union Satellite Division for less than \$100M**
- * **2nd launch of the Energiya heavy-lift vehicle could be in February or March**
- * **Changes in UN treaty urged to allow extraterrestrial land ownership**
- * **Thirteen firms begin 2nd phase of superconductor applications study**
- * **Launch of first Space Station element to be delayed for another year**

SPACE ENTERPRISE / SPACE ENTREPRENEURS

NATIONAL SPACE SOCIETY AIRS '67 OUTER SPACE TREATY RESERVATIONS

Washington DC

"Would Europeans have settled America yet if no one could claim the land they settled on?" asks New York City National Space Society member Alan Wasser. "Land ownership," continues computer consultant Wasser, "including all rights, mineral and otherwise, in perpetuity, and the right to sell part or all of the property for whatever the market will bear, is one of our most basic forms of wealth, and historically one of the most common roads to riches."

"With land eliminated from our thinking as an economic justification for exploration and development of space," Wasser explained, "we are reduced to trying to find something that can be mined or manufactured in space (and only in space) and brought back to Earth, at great profit, even after subtracting the tremendous shipping costs. Not surprisingly, this has been an impossible assignment."

Many critics of government space policy point out that such is the specific purpose of the prohibition on individual rights in space - to prevent space development and commerce from benefiting the private sector. Without the ability to hand out government contracts and favors (as the dispensation of food, medicine and weapons is practiced in lesser developed economies), US government officials would no longer have a tool for extracting favors from the private sector - the mechanism for filling campaign and other political coffers.

"The only reason land is not a reward for space exploration," notes Wasser, "is because President Lyndon Johnson endorsed the signing of a treaty forbidding national appropriation or claim of sovereignty of the Moon or other celestial bodies. This wish was realized in the UN Outer Space Treaty, approved and ratified by the United States and many international signatories in 1967.

President Johnson was said to be in earnest for such a resolution because of the uncomfortable situation which existed since the Soviet Union soft-landed the first spacecraft on the lunar surface - Luna 9 on 3 February 1966. Though the United States landed Surveyor-1 four months later on 2 June; as there was no precedent for appropriation of extraterrestrial territory, it was unknown what approach the Soviets might take, and how international law would eventually rule.

Though this Treaty purports to endorse the development of the Moon and space in general, it contributes no fiscal or policy support to such developments. In fact, it places severe, probably prohibitive restraints, on such developments.

Article 2 of the Treaty prohibits national appropriation, by any means. Article 6 closes the gap or loophole (private enterprise) by outlawing any individual or corporate efforts in space without the direct authorization and control of the host nation.

Wasser suggests that the opportunities and pace of space development would be greatly accelerated if the Articles were amended to say that, "Any nation, corporation or person that establishes a permanent manned settlement on the Moon or other celestial body, can claim all the land for 100 miles around (or 500, or 1000)."

Wasser, writing in the February issue of Space World published by the National Space Society, concludes by pointing out that 'the Treaty has a very easy exit... Article 16,' which allows for notification of withdrawal, then takes effect one year later.

He states, "I submit that the best thing National Space Society could do for mankind's future in space would be to get Congress and the President to pass a resolution saying the United States proposes amending Article 2 to permit limited claims of land as a reward for space exploration and development, and will exercise its right to withdraw if the amendment is not adopted."

WESTERN UNION SATELLITE DIVISION SOLD TO GM/HUGHES CORPORATION

Los Angeles CA

Western Union Corporation, as part of its continuing restructuring activities, agreed to sell its Satellite Division which includes three operational comsats to GM Hughes Aircraft Company. Hughes, which already operates three Galaxy satellites, will now be on a nearly equal footing with GE American Communications which operates seven satellites.

Terms of the agreement were not disclosed, though analysts estimated the purchase price at less than \$100 Million. Included in the deal was the right to launch the Westar VI-S as a replacement for Westar III - approval of which is pending with the FCC. Final sale is conditional upon completion of the final agreement and approval by both boards.

'Since Western Union received approval of restructuring on 30 December to avert bankruptcy filing, the new chairman Bennett LeBow has combined the company's telex business with ITT World Communications Inc. LeBow, who owns controlling equity interest in Western Union, previously acquired ITT Corporation's international telex business for about \$156 Million.

Western Union's Westar business accounted for \$25.4 Million of the company's \$889 Million 1986 revenues. According to Western Union, the sale is part of a new strategy to move away from facilities-based telecommunications, towards becoming a provider of business and consumer services. The restructuring included issuance of a \$500 Million debt exchange, and the paying off of outstanding bank loans at a discount.

Hughes Corporation, meanwhile, has acquired permission to add a fourth satellite to its Galaxy network, and is seeking approval for a fifth, plus the replacements for those already in orbit. Both the Galaxy and Westar satellites use C-band transponders. Besides television and radio, Westar carries print and private-wire user data.

