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Space Economy: Valuing the Uses (3)

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SPACE ECONOMY IN A TIME OF GLOBAL CRISIS: 2011-2012

Abstract

Just as space policy is a branch of international relations subject to global geopolitical trends, space economy as well can only be fully understood from a world perspective. The global physical nature of space as its operating medium, and the role of space services in facilitating the international flow of information that is indispensable for the functioning of a globalised economic environment, seem to underpin this statement. Although globalised in appearance, however, space economy is in reality significantly fractured, both vertically and horizontally. Seen from a vertical (or sectoral) perspective, there is a clear delineation between the public and private sectors, the space hardware manufacturers and service providers, or the launcher and satellite manufacturing industries. Seen from a horizontal (or geographical) perspective, the global space market suffers from multiple export control barriers, protectionist industrial policies and preferential funding schemes. Furthermore, as a capital dense activity space exacerbates underlying differences in economic and technological development among the world's different regions. Consequently, any analysis of the global space economy should take all these different parameters into account and attempt an holistic approach to the subject.

Following the aforementioned methodological approach, this paper aims at presenting the current state of global space economy, based on developments that occurred over the past twelve months. Its approach is geographically global and sectorally universal, seeking to illuminate as many aspects of the issue as possible. In this context, it follows the aforementioned delineations, dividing developments both geographically and according to their respective market segment. It furthermore pays particular attention to issue areas where the different space actors and activity areas meet: public and private budgets and financial results, manufacturing and services market developments, downstream and upstream products performance. Most importantly, the analysis takes into account the incomplete nature of space economy globalisation and the different constraints that impede its full liberal market function. In order to do so, it seeks to understand how space economy and policy developments interact on a national and international level, underpinning the space sector's trans-disciplinary nature and its strong sensitivity to broader geopolitical, financial and technological developments. As a result, a vivid picture of the multiple interactions among the different space economy actors and on different levels can be drawn, illuminating its role in the broader global economy setting.