



Jeff Bezos' Space Company Set For \$10BN From NASA Before He Takes Off On His Own Rocket

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Jeff Bezos is on track for a \$10 billion taxpayer boost for his Blue Origin space program this month — before he takes off for space himself.

The billionaire's Blue Origin company is expected to benefit from an expansion of NASA funding passed by the Senate Tuesday in the U.S. Competition and Innovation Act (USICA), a plan to boost science and technology spending.

The act, which passed with bipartisan support on a 68–32 vote, is being promoted as a way to compete with, and beat, China's ambitious investment in cutting-edge technologies. The House has still to set a date for taking it up the USICA.

Bezos plans to be on the first manned Blue Origin flight into space on July 20, along with his brother Mark, making him the first billionaire in space. He will step down as CEO of Amazon, the company he founded, on July 5.

Jeff Bezos can expect a view like this from space from his Blue Origin rocket-launched vehicle next month when he and his brother take off on its first mission. Blue Origin released a mock-up of the view from Blue Shepard in May. (Blue Origin/Twitter)

The bill currently includes a provision to award a second moon-landing contract, and urges the agency to choose another company to help build moon landers for its [Artemis Program](#), which strives to return humans to the moon by 2024, the first time since the Apollo program ended in 1972.

NASA's first \$2.9 billion contract for the project went to SpaceX, owned by fellow multi-billionaire Elon Musk, meaning a second contract would be highly likely to go to Bezos's Blue Origin.

The call for a second moon-landing contract came from Sen. Maria E. Cantwell (D-Wash.), who represents the state where Blue Origin is headquartered.

It has already proved controversial: Sen. Bernie Sanders (I-Vt.) who caucuses with Democrats, unsuccessfully countered with his own amendment to eliminate the \$10 billion in new funding for NASA's moon program.

He argued that Bezos, whose net worth is estimated to be around \$187 billion and who has sold \$1 billion in Amazon stock each year since 2017 to support Blue Origin, could personally fund the project without taxpayer money.

Elon Musk's SpaceX, which has made more than 100 successful launches and sent astronauts to the International Space Station, has already received NASA funding for a moon landing as part of the Artemis program. Its most recent Falcon 9 launch took off on June 4. (SpaceX/Twitter)

"Our space program should be something that we all take part in," the democratic socialist, who has accused Bezos and his companies of not paying their fair share in taxes, said on Capitol Hill last week. "We shouldn't hand over \$10 billion in corporate welfare to Jeff Bezos or Elon Musk, who are jointly worth \$350 billion, to fund their space hobby."

He spoke before a ProPublica investigation revealed that Bezos had twice paid no personal federal income tax, in 2007 and 2011, and even claimed a \$4,000 child tax credit that year. The Amazon founder is estimated by Forbes to be worth \$189 billion.

"The funding, essentially for Blue Origin, is emblematic of what is wrong with Washington," Walter Lohman, director of the Heritage Foundation's Asian Studies Center, told Zenger News. "First, it contributes to the enormous price tag for things best left to the private sector. Second, it is typical pork-barrel politics."

Sen. Bernie Sanders (I-VT) unsuccessfully tried to stop the \$10 billion extra NASA funding for a second Moon program, arguing it was tailored to go to Jeff Bezos' Blue Origin. (Photo by Shawn Thew-Pool/Getty Images)

"In committee, Sen. Cantwell struck a deal to compensate a constituent who lost a contract to a competitor. The fact is that Jeff Bezos is essentially being rewarded by the U.S. government for losing out to Elon Musk — and American taxpayers are the ones on the hook. It's no worse or better than directing tens of billions of dollars to the semiconductor industry — which the proposal also does."

Josh Sewell, a senior policy analyst at watchdog organization Taxpayers for Common Sense, echoed that sentiment in a statement to Zenger and questioned the need to invest public funds in human spaceflight all together.

"NASA has shown we can unlock a lot of scientific understanding from unmanned spaceflight while avoiding the excessive costs of sending and maintaining humans in orbit, or on the moon," he said. "Manned spaceflight seems more about reviving the glory days of the space race and subsidizing the vanity projects of billionaires than it is a wise taxpayer investment."

He noted, however, that if sending astronauts back to the moon is indeed a necessary endeavor, then “government contracting needs to be transparent, competitive, and based on sound economics” regardless of the personal wealth of the potential contractor’s owner.

“If Blue Origin is determined to be the most cost-effective option for providing a moon lander under a fair and open contracting process, then they should win the contract,” he said.

When it comes to technological innovation, contracting private companies could actually save taxpayers money — even if a company’s owner could arguably self-fund the project, according to Terence Kealey, a Cato Institute adjunct scholar.

“There’s quite good evidence actually that these private contractors offer more value for money than many of NASA’s own initiatives,” he told Zenger.

“If NASA is basically saying, ‘Look, these multibillionaires can actually offer us a cheaper service than we can do it ourselves for whatever reason,’ then that in itself is fine,” he said. “If the taxpayer is going to want this mission performed, and if it can be done more cheaply by one of these private contractors [than the government], fine — it doesn’t matter that they’re multibillionaires.”

With lawmakers on both sides of the aisle poised to approve the bill, which comes with a nearly \$250 billion price tag overall, the bigger question, Kealey argued, is “should you do any of it at all?”

The legislation — originally the Endless Frontier Act — includes \$195 billion in funding for scientific research and development and a \$52 billion subsidy program for semiconductor firms.

Sponsors of the bill, which was led by Senate Majority Leader Chuck Schumer (D-N.Y.), have presented it as a jobs plan and have avoided calling it “industrial policy,” a phrase that harkens back to the Cold War era when the U.S. government began, some have argued, picking “winners and losers” in its attempt to reinvigorate the American semiconductor industry.

“What do we think we’re doing with all this money? Where is the evidence that this huge outpouring of taxpayer money to support government-funded science will have any economic payoff at all?” Kealey said. “There is no evidence that the government funding of science will stimulate any form of economic growth.”

The bill has been promoted as an effort to counter China’s industrial progress and reduce American dependence on Chinese goods and technologies as the country continues emerging as a geopolitical adversary. The projects funded by the legislation parallel China’s “Made in China 2025” program, which appropriates significant funding for technologies the country no longer wants to be supplied by foreign entities.

U.S. officials have also become increasingly wary of China’s manufacturing and technological abilities and worry that Beijing’s command of 5G technology could give the nation some level of

control over American devices. There is additional concern in Washington that China may use its largest companies for mass surveillance or weapons of war, but Kealey dismissed those fears.

“The idea that America should be so frightened of Chinese industry that it needs to change its industrial model for the government to fund science in a sort of corporate-state so that America can copy China — it’s absurd. China is so much poorer than America,” he said.

He also noted that the United Kingdom is one of the few other countries pumping large amounts of taxpayer money into science and technology, something that may not bode well for the U.S.’s efforts.

“The last time we saw a uniquely Anglo-American, bipartisan initiative was the invasion of Iraq in 2003, and that didn’t go very well. And this is going to go just as badly,” he said. “Everything shows that this will be a complete waste of every single cent and dollar that the American taxpayers spend.”

Blue Origin did not respond to a request for comment.

The debate over the Endless Frontier Act and its \$10 billion NASA funding amendment comes after Blue Origin lost out on the agency’s first contract in April to SpaceX. Bezos, along with Dynetics, the third company in the running, heavily criticized the decision and filed protests with the Government Accountability Office.

Bezos will spend a few minutes in space when his New Shepard sub-orbital vehicle reaches 62 miles above the Earth’s surface next month.

British billionaire Richard Branson plans to follow in his footsteps later in the year by riding as a passenger aboard his Virgin Galactic’s rocket-powered plane.

Musk has said he wants to go to Mars, and his SpaceX has sent professional astronauts to the International Space Station, but he has not yet scheduled a seat on one of his rocket ships.