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UNDER SECRETARY OF STATE  
FOR SECURITY ASSISTANCE, SCIENCE AND TECHNOLOGY  
WASHINGTON

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Dear Mr. Secretary:

The Cabinet Council in its meeting of December 16 considered the proposed transfer to the private sector of earth resources and meteorological satellite programs currently operated by the U.S. Government, and I understand that the issue will be discussed again shortly.

Space remote sensing is of considerable international interest. In the United Nations, draft principles governing remote sensing have been debated for a number of years. Many developing countries and the Soviet bloc propose restrictions on the use of space remote sensing and on the dissemination of remote sensing data. United States success in resisting these efforts to date has been due in large measure to the fact that data from our civil LANDSAT and meteorological satellite programs have been made readily available to, and have been useful in the national development programs of these same developing countries. We have defended the right to collect and disseminate data and, as an important element in this effort, we have promoted public non-discriminatory access to such data on reasonable terms. The maintenance of an international climate in which we can continue to conduct all of our space programs -- both civil and those dedicated directly to national security -- without facing burdensome international restrictions and regulations is an important objective of the Department of State.

The Honorable  
Malcolm Baldrige,  
Secretary of Commerce.

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In the civil land remote sensing area, the Department considers it of great importance to maintain the continuity of our non-discriminatory data policy which was established by President Nixon in 1969. Any reversal of this policy would not only have adverse political repercussions but also could encourage developing countries to apply more restrictive practices in their dealings with U.S. firms interested in resources exploration and extraction.

A related foreign policy concern is the need to move ahead with planning for continuation of U.S. land remote sensing satellite services beyond those to be provided by Landsat-D. The U.S. was once the unquestioned technological and commercial leader in the land remote sensing field. We now face serious competition from France and Japan which are currently building Landsat-type satellites, and from a host of foreign firms which offer related ground hardware and services. With no plans for further government spacecraft to follow Landsat-D and considerable uncertainty as to when arrangements for initiation of private sector satellite services could be put into place, our country is faced with the growing likelihood that our foreign policy and commercial gains of the past two decades will be lost to aggressive foreign interests. The French, promising long-term continuity for their program, are aided by the uncertainty of our own. Their direct governmental support for the French commercial remote-sensing entity also affects the prospects for purely private competition. The Department of State believes that this threat to our national and commercial leadership and, potentially, to our national participation in civil remote sensing by satellite, must be carefully assessed as the Administration considers how best to proceed with commercialization of this important national program.

It has also been proposed that the civil weather satellite system be simultaneously transferred to the private sector. The United States is the principal user and chief beneficiary of global meteorological data. U.S. meteorological data including that obtained by our own weather satellites is made available at no cost to the world

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community both directly and through the World Meteorological Organization (WMO). In return, the U.S. receives satellite and ground-based weather data acquired by other countries from their own sensors. These arrangements have been highly successful.

Considerable international concern has been expressed to the Department as a result of press reports of the U.S. government's intention to commercialize our weather satellite program. In particular, other countries anticipate that commercialization will lead to charges for and cutbacks in the availability of U.S. weather satellite data which were previously available at no cost. If charges for U.S. satellite data are instituted, countries which have provided data free to the U.S. through WMO or bilateral arrangements will likely institute reciprocal charges, with resulting cost implications to the U.S. In addition some countries may forego some of their weather data gathering activities, if U.S. commercialization results in cost increases for them. This could have serious consequences for U.S. forecasting activities -- both civilian and military. For example, Canada has noted that such cost increases could result in a cutback of its arctic weather data collection activities which in turn could critically affect U.S. civil and military aviation.

A most unacceptable outcome for U.S. foreign policy in either land or meteorological satellites would be a United Nations initiative to operate and manage such remote sensing systems -- where U.S. costs would still be 25% but with significantly diminished U.S. influence. International support for the the UN role in space systems is continually growing as several nations are now able to supply and launch such systems. We believe that disregard for these international sensitivities would increase pressure for such UN systems.

A further consideration is the potential impact of commercialization on future cooperative programs such as those in which France and the U.K. provide, at no cost to us, instruments which are flown on NOAA's polar orbiting weather satellites.


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In view of the above, the Department of State believes that the international and national security implications of weather satellite commercialization -- short and long term -- are critical and should be fully considered before a decision to proceed with commercialization is taken.

Sincerely,



James L. Buckley

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