

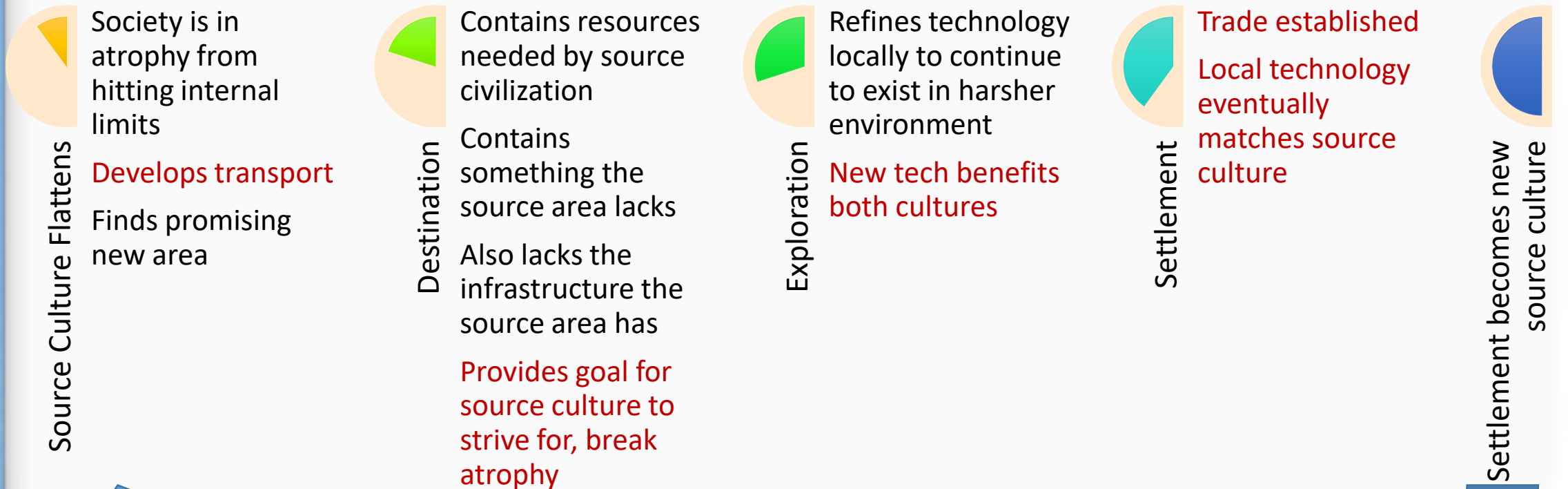
# Structured Settlement: From Astronauts to Space Independence

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# Settlement Loop

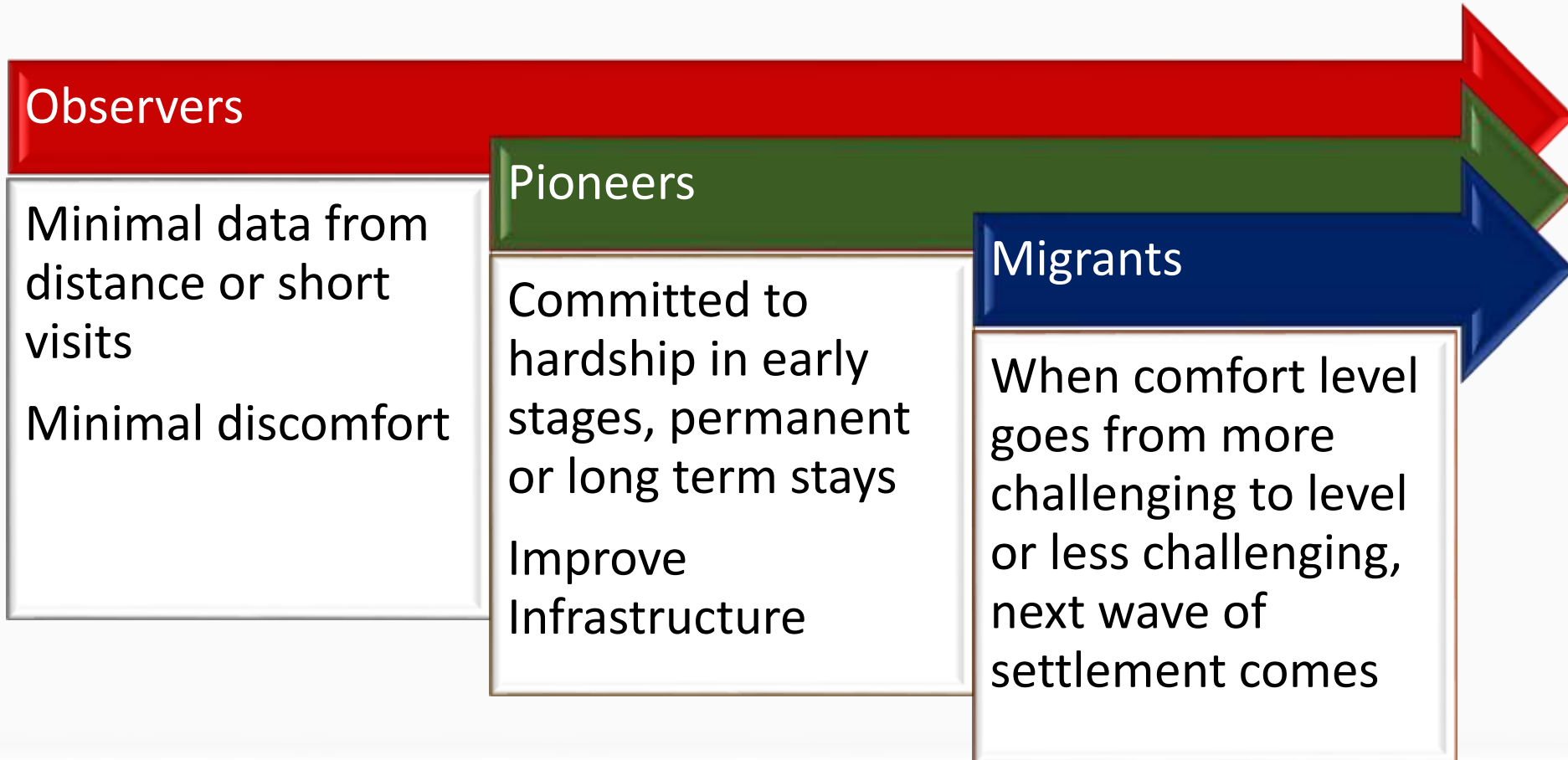


# Space Settlement:

- **Space** – the harshest environment, most antithetical to life, that humans have experienced regularly and survived. Space contains almost nothing to give a living being any assistance in remaining a living being.
- **Settlement** – Moving from one habitat to another habitat, typically because of better living conditions in the new habitat.

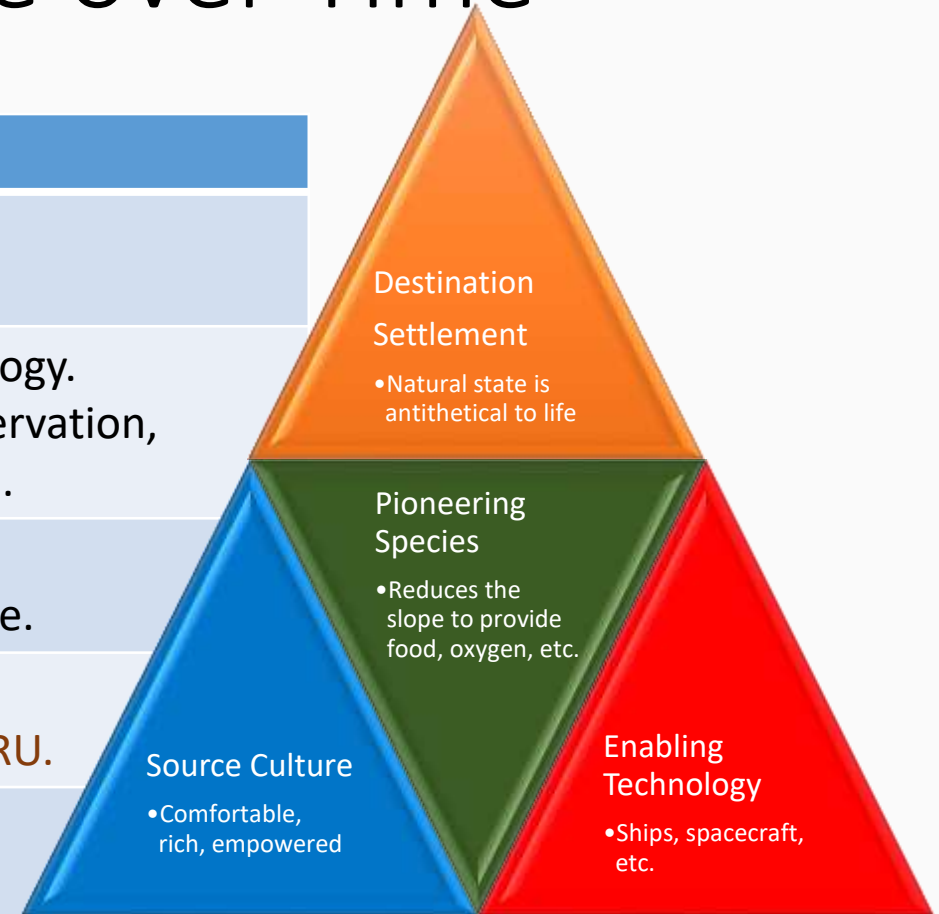
SEE THE PROBLEM???

# The Hardship Bell Curve



# Settlement Slopes Increase over Time

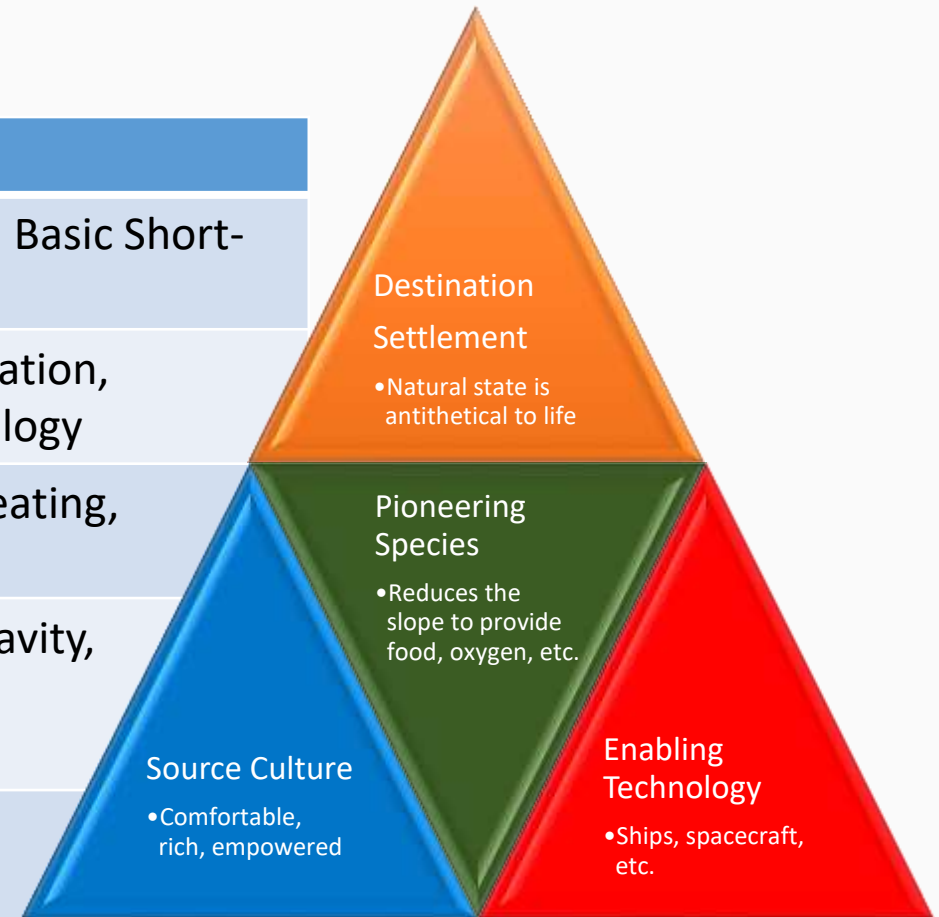
| Migration                   | Obstacles to Settlement  |
|-----------------------------|--|
| <b>Africa &gt; Eurasia</b>  | Colder temperatures, growing seasons.<br>Invention of agriculture.   |
| <b>Europe &gt; Americas</b> | Thousands of miles of ocean, no technology.<br>Expansion of ship technology, food preservation,<br>technology trade and localized invention. |
| <b>Polar Exploration</b>    | Lack of pioneering species, sunlight, etc.<br>Expansion of hunting, greenhouses, trade.  |
| <b>Space Settlement</b>     | Lack of life, distance, energy.<br>Affordable launch, local oxygen/food, ISRU.   |
| <b>Outer Planets</b>        | Lack of solar energy.<br>Fission/fusion power, propulsion.   |





# Settlement Benefits

| Migration                   | Drive to Improve Technology  |
|-----------------------------|--|
| <b>Africa &gt; Eurasia</b>  | Clothing, Agriculture, Food Preservation, Basic Short-Range Trade, Cities.                             |
| <b>Europe &gt; Americas</b> | Ships, Food Preservation, Printing, Navigation, Mathematics, Astronomy, Education, Biology             |
| <b>Polar Exploration</b>    | Power, Advanced Ships, Early Aircraft, Heating, Shelter, building in permafrost.                       |
| <b>Space Settlement</b>     | Solar Power, Affordable Launch, Microgravity, Local technology, Food Preservation, Radiation shielding |
| <b>Outer Planets</b>        | Fission/fusion power, propulsion, Advanced local sourcing of technology.                               |



# Technology Growth and History

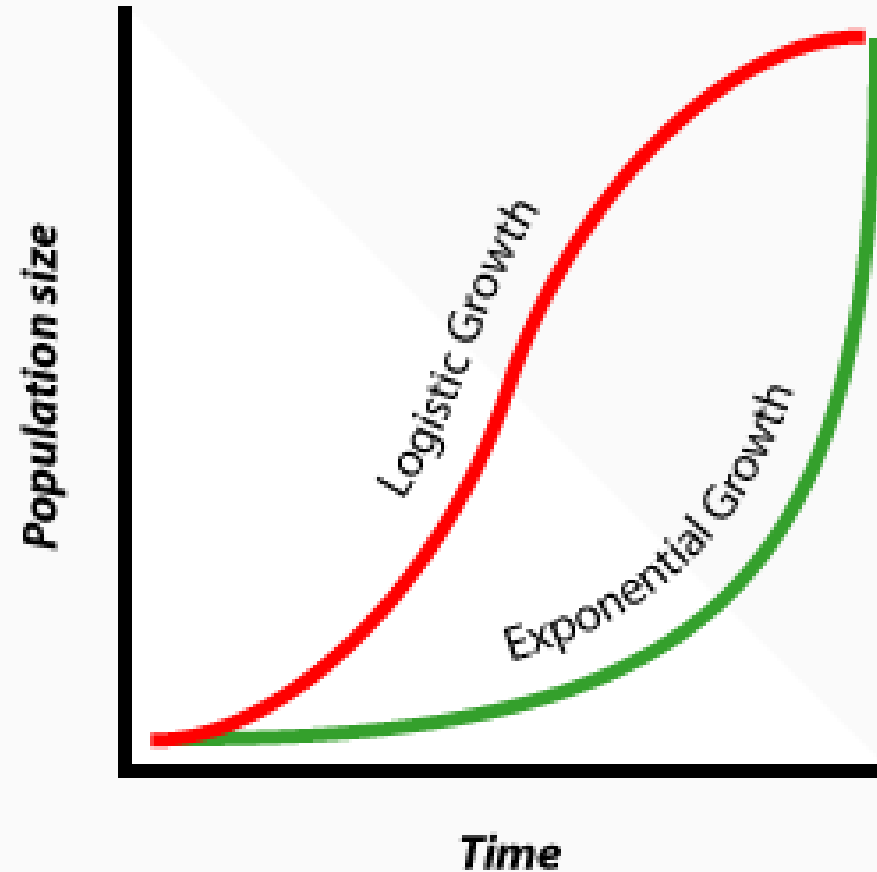
# Technology Revolutions

| Time      | Revolution      | Enabling Technologies, People, and Transitions   |
|-----------|-----------------|--|
| 1770-1830 | Industrial Age  | Hand made -> Machine made, Stationary steam power, Wood -> Coal<br>Textiles, Iron, Metallurgy, Basic Chemistry, Machine tools, Gas lighting, Railroads |
| 1829      | Rail/Steam Age  | Railroads, steam ships, heavy logistics.   |
| 1887-1914 | Steel/Gas Age   | Transitions from Iron -> Steel, Alloys, Gasoline, electricity, mechanized construction<br>Telegraph, telephone, radio, automobile                      |
| 1942-     | Atomic Age      | Scientists -> Government -> Industrial -> Medical  |
| 1944 -    | Jet Age         | Inventors -> Government -> Commercial-> Corporate/Private  |
| 1957 -    | Space Age       | Clubs -> Government -> Old Space -> New Space -> Cubesats  |
| 1970's -  | Information Age | Mathematicians -> Government -> Corporate -> Personal -> Portable -> Cellular  |
| Now       | "Maker Age"     | 3D printing, Internet education/Sales/Collaboration/Finance  |
| Starting  | New Space Age   | IT Successes -> Space tourism -> Space Stations -> Moon/Mars missions  |



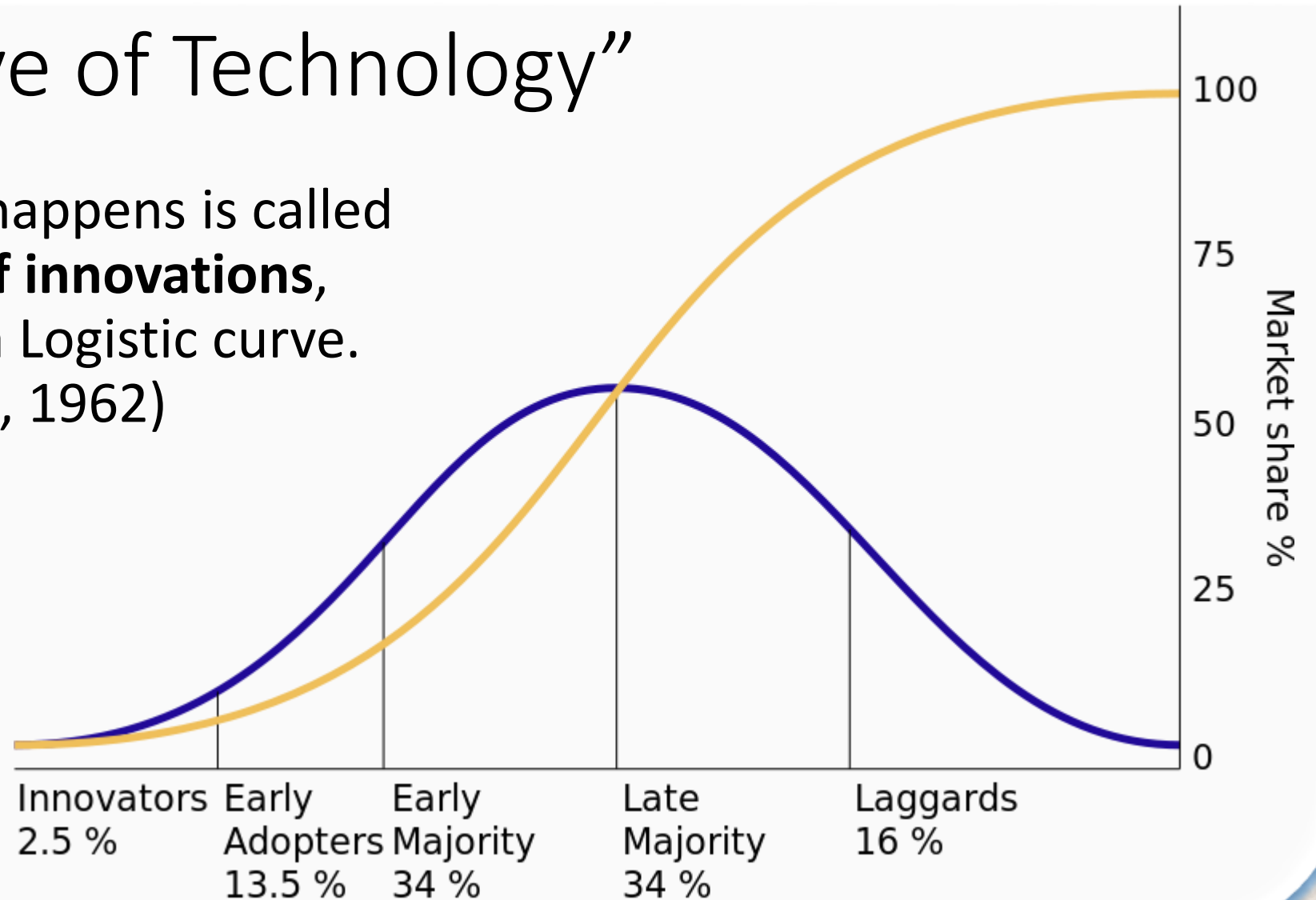
# The “S Curve of Technology”

- The aerospace and early electronics revolutions were thought to be exponential.
- During the early space age, this led to hope of fast solar system settlement.
- Had the curve continued, we would have hit light speed by the year 2010.



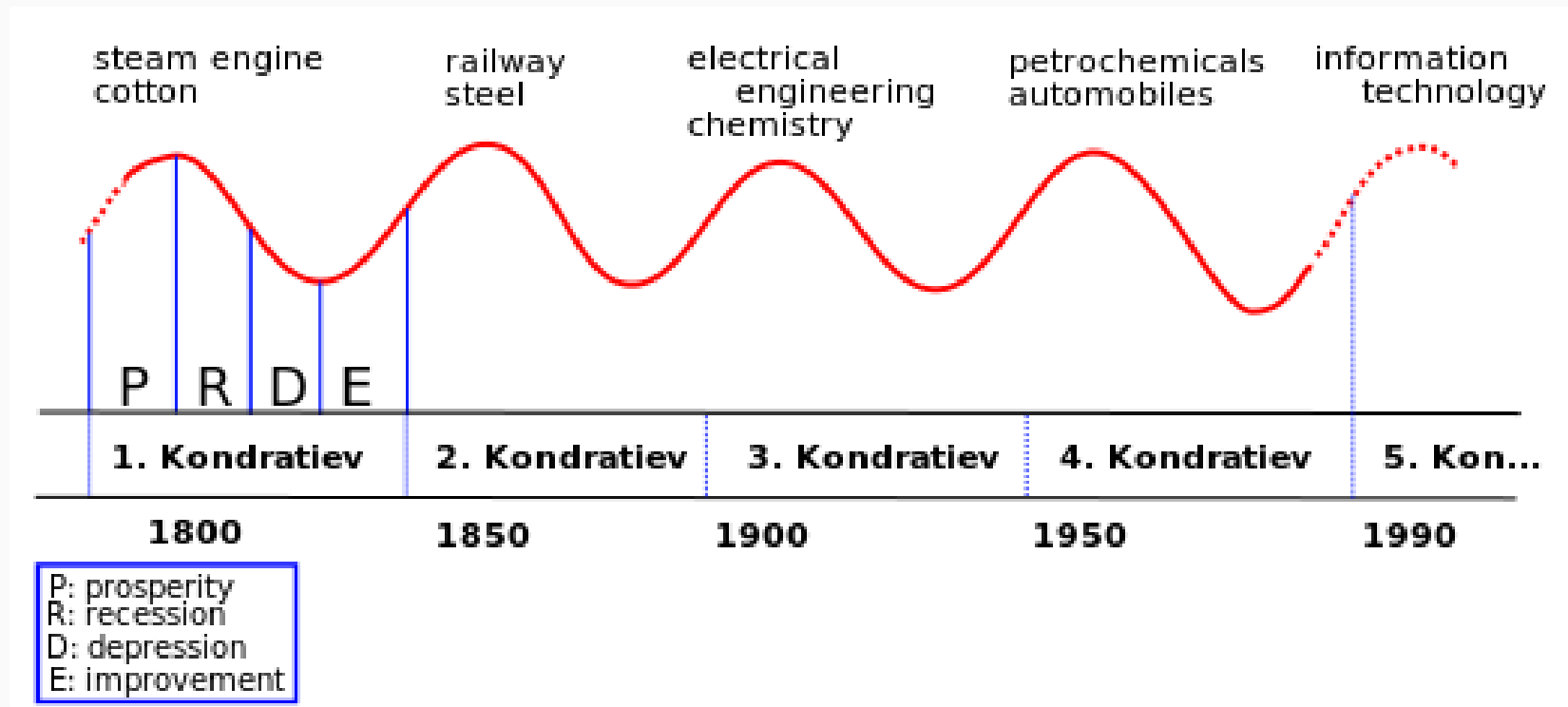
# The “S Curve of Technology”

- What actually happens is called the **diffusion of innovations**, which follows a Logistic curve. (Everett Rogers, 1962)



# The “S Curve of Technology”

- This was also predicted in 1925 by Nikolai Kondratiev, and are called Kondratieff Waves or K-Waves. Two Dutch economists proposed a similar effect in 1913.
- Next wave would be 2015-2035 if true



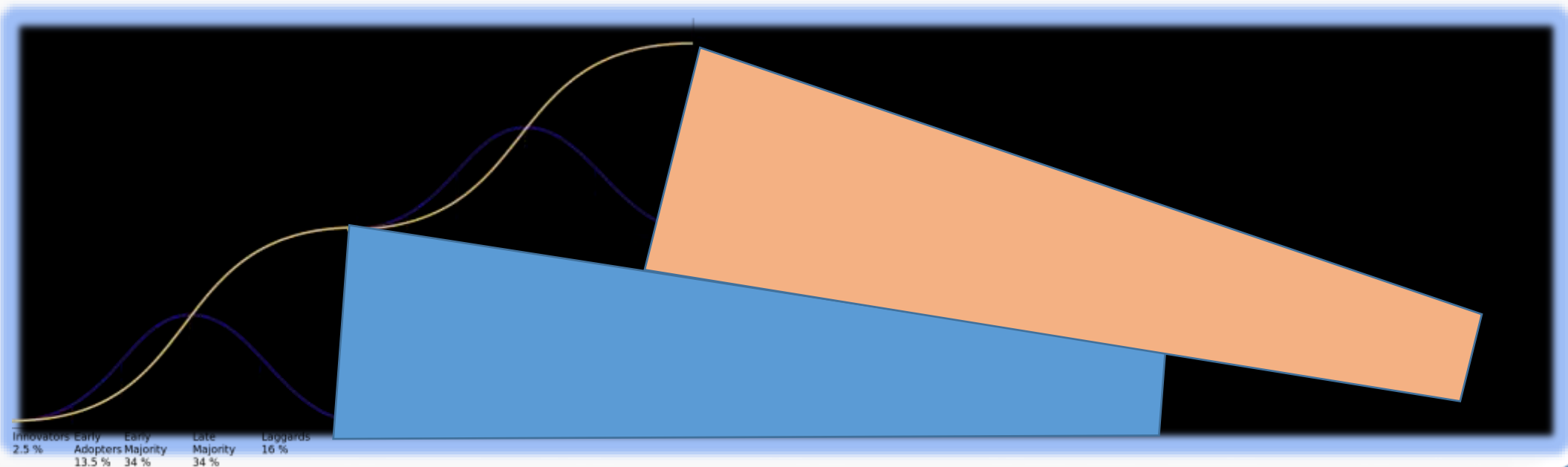
# But Technology Itself Doesn't Cycle

After the S Curve...

- Downward effect as old methods fall from common practice
  - Fewer people can ride a horse, make a vacuum tube, etc.
  - Risk of “technology trap” if knowledge not preserved.
- Upward effect as new methods applied to old technology
  - Advanced manufacturing for engines, etc.
- “Ubiquitous Vector” as prices drop, particularly with digital tech
  - Self-driving cars, 3D printers are what happens when \$1000 computers become \$10 computers (Secondary long frequency wave).
  - Technology still advances slowly in “Maker space” by hobbyists.

# Curves become “wedges”, not cycles

The cumulative effect is new technology is stacked with older waves.  
Older technologies slowly flatten until entirely replaced (steam engines, etc.) and enter collector/hobby space.

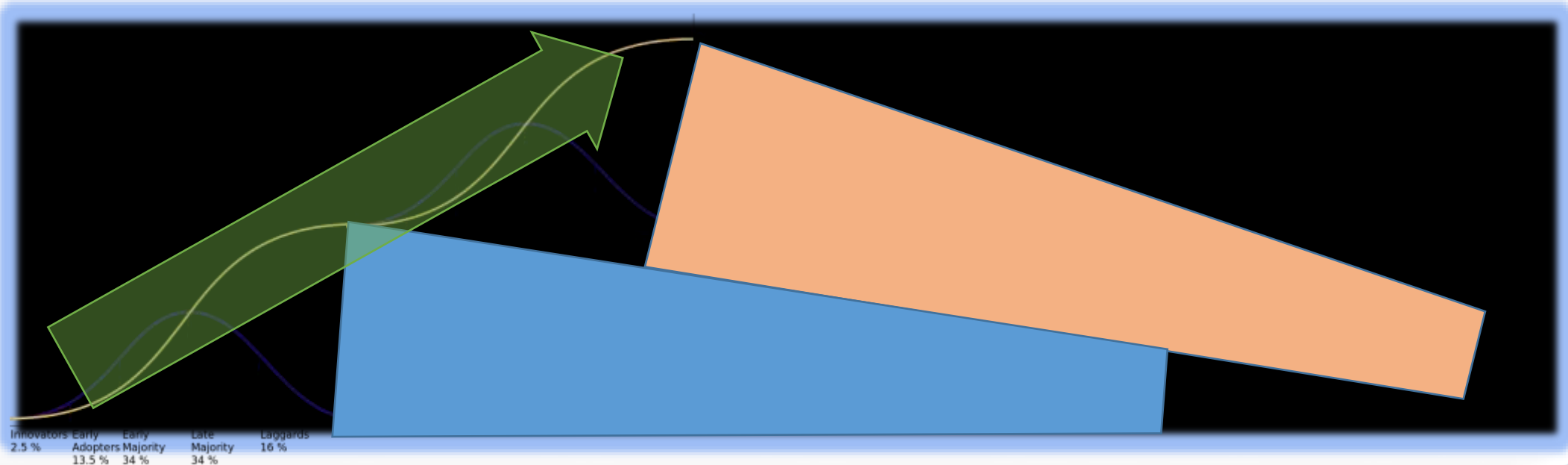




# Investment Seeks Path of Least Resistance

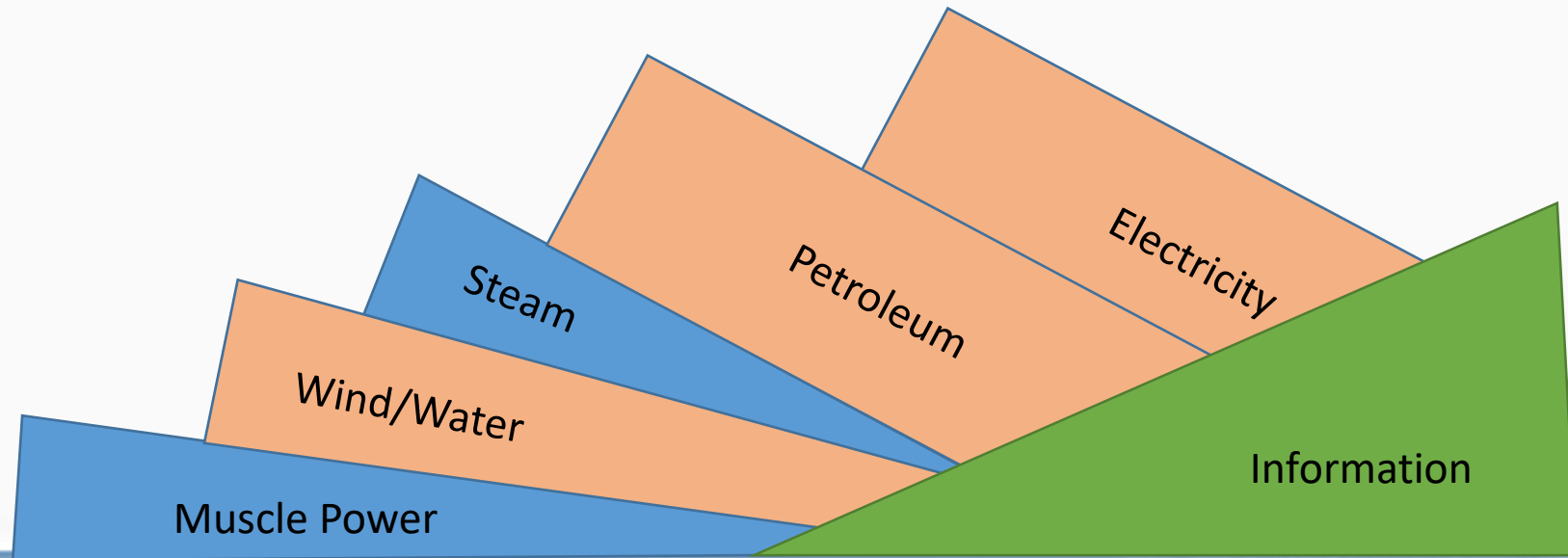
For investment to grow, needs to be focused on areas where invention is making new wealth out of ideas rather than commodities.

When a tech curve flattens, investment jumps to the next tech curve.



# Types of Technology Waves/Wedges

- **Kinetic wedges** are power sources (energy or information)
  - Base wedges can go “extinct” if a new technology fully fills the niche.
- **Utilization wedges** are implementations (car, plane, rocket) of the power wedges
- Any kinetic wedge that does not go extinct can launch another Utilization wave.
  - A technology that continues to drop in price is not done innovating yet.

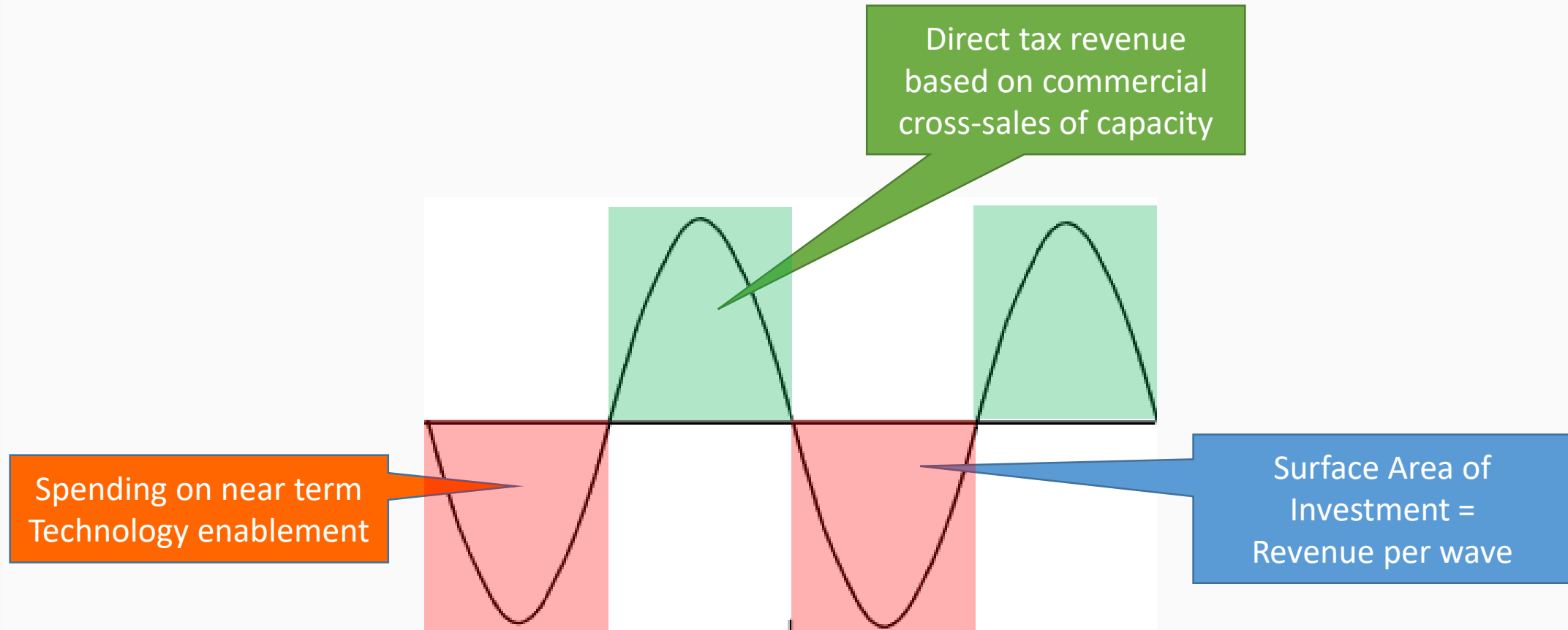


# Energy Density Drives Technology

| Energy Wedges        | Utilization Wedges   | Information  |
|----------------------|--|--------------|
| Human Power          | Hunting, Gathering, Migration, Villages, Basic Farming, Textiles | Language     |
| Animal Power         | Farming, Roads, Cities, Travel, Mass Warfare, Writing, Trade     | Math         |
| Fire                 | Metallurgy, Basic Chemistry                                      | Metallurgy   |
| Wind Power           | Ocean going vessels, Navigation                                  | Navigation   |
| Steam (Wood)         | Fast transport on rail/oceans. Paddle-wheels/wood boats.         | Telegraph    |
| Steam (Coal)         | Ironclad ships with screw propellers. Steel and other alloys.    | Fast News    |
| Petroleum (Kerosene) | Indoor lighting, advanced industrial chemistry of petroleum.     | [Radio]      |
| Electricity          | Indoor lighting, Distributed mechanical/heat power.              | Telephone    |
| Petroleum (Gasoline) | Internal combustion, Cars, Aircraft, early rockets.              | [Television] |
| Chemical Rockets     | Moon landings, Solar system exploration, etc.                    | Satellites   |
| Nuclear Power        | Nuclear power plant, Submarines/Aircraft carriers, NERVA.        | [Computers]  |

# Government Investment

# Investment Sine Wave Concept





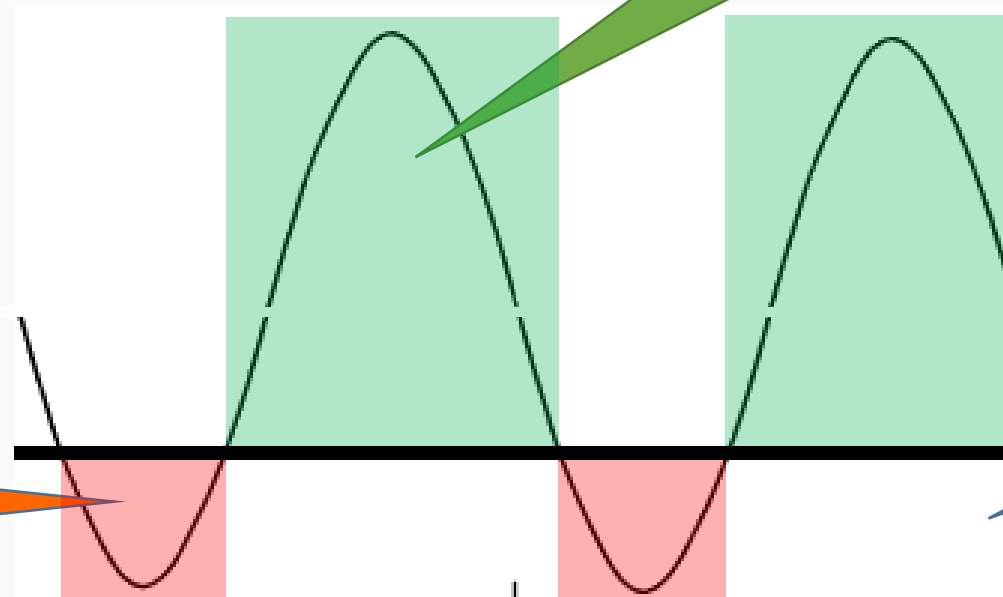
# High Efficiency Wave

Revenue is much larger and lasts much longer than each spend

THIS is the financial and technological crossover of space independence

Spending can be eliminated once the industry is self-funded

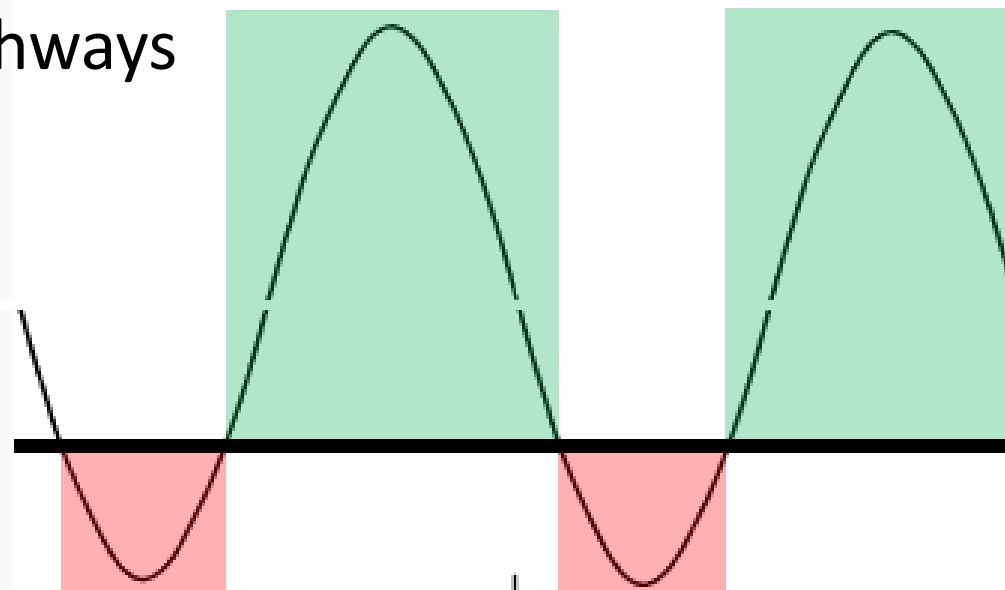
Spending is limited in time and volume



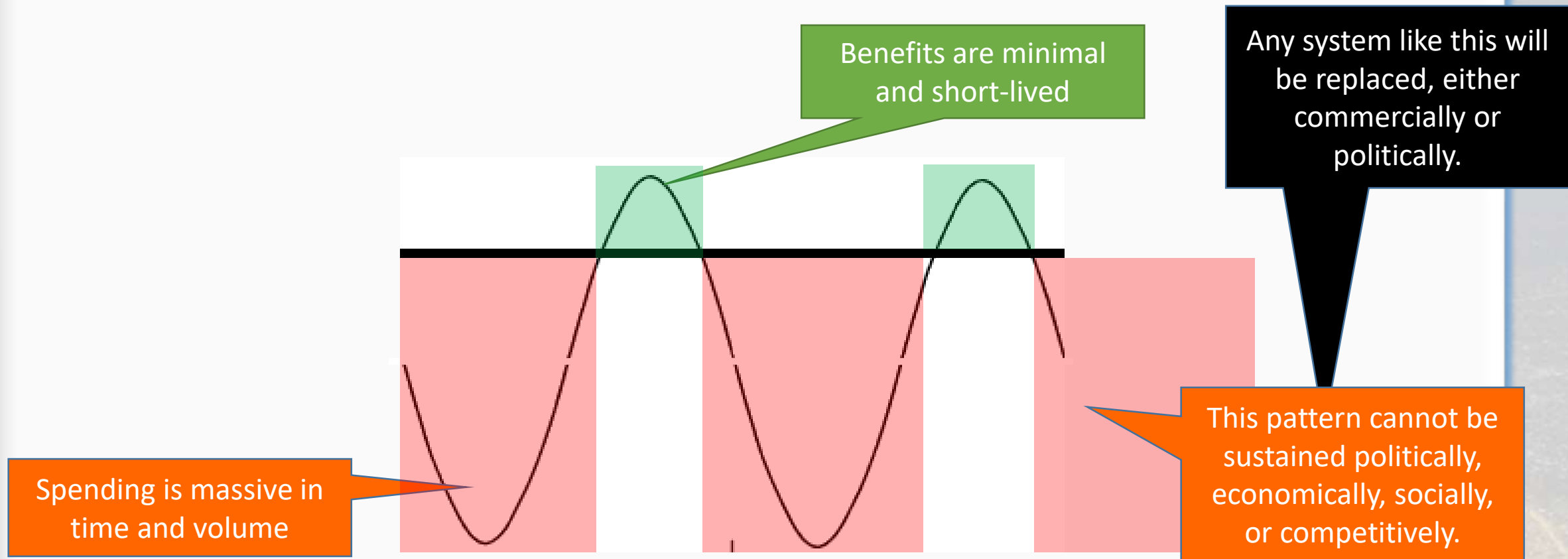
# High Efficiency Wave

Where it has worked:

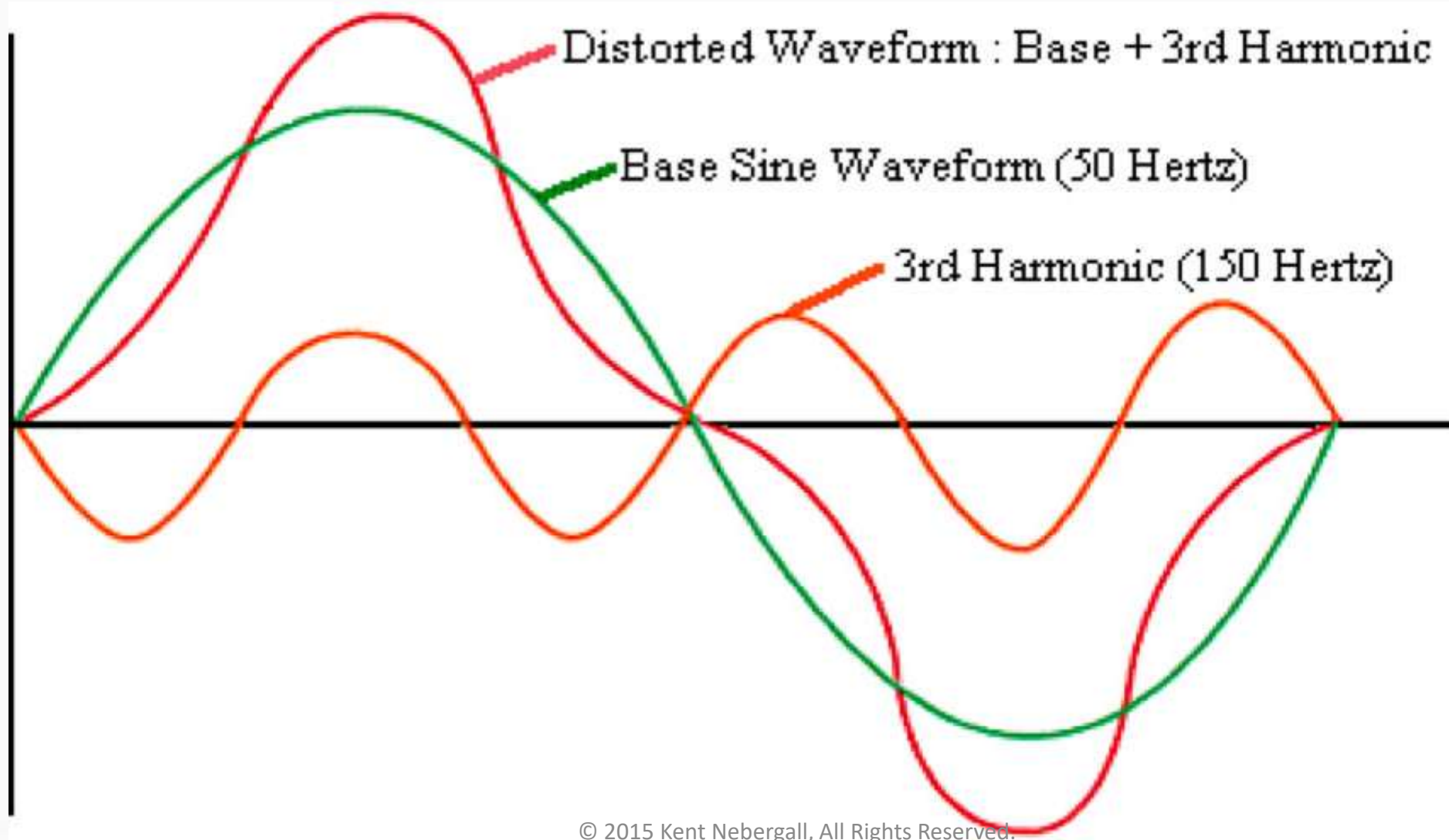
- NACA
- NASA (Apollo)
- Interstate Highways
- DARPA



# Low Efficiency Wave (Cronyism/Mercantilism)



# Dual Cycle Waves (Economic, Tech Investment)



# Where Cronyism Comes From

| Government (Source)  | Crony/Political Actors   | Object Response  |
|--|--|--|
| Needs a new technical capacity for a goal                      | Receives massive investment to develop that technology   | Public celebrates and is inspired by the new innovation.                                   |
| Needs increased capacity in same range                         | Receives continued funding to push technical envelope  | Rival governments build similar systems using similar methods.                             |
| Programs become self-driving constituencies                    | In 2-4 iterations, structure grows large enough to “create it’s own weather”                                   | System becomes a goal, not a means to a goal.  |
| Public begins to notice the system is overpriced               | Products end up overpriced to support the bloat (cost plus), not the mission.                                  | Competitors realize they can make better systems for less money.                           |
| Vested political interests continue funding overpriced systems | Political actors use clout to lobby for regulation to cut out competition, arguing that it will “lower costs”. | Corporate competitors cut costs and scale systems for efficiency, and move B list payload. |



# Killing the Feedback, Boosting the Volume

| Government Role                | Action  | Restriction   |
|--------------------------------|---|---|
| Primary Research               | Expand the definition of Feasible   | Do not spend more than ~10 percent total  |
| Needs a new technical capacity | Invest in new technology that is in the proper affordable/feasible zone. <ul style="list-style-type: none"><li>• Just beyond commercially self-funded</li><li>• Just within fully-doable driven by primary research</li></ul> | Projects must have... <ul style="list-style-type: none"><li>• Beginning, middle, and end</li><li>• Measurable results</li><li>• Enable next wave technologies</li><li>• Fixed price contracts or competitive “fly off” contracts to winners</li></ul> |
| Commercialize the last wave    | <ul style="list-style-type: none"><li>• Use to expand information, trade, science, education.</li><li>• Offer lab space to new competitors</li></ul>  | <ul style="list-style-type: none"><li>• Demonstrate GAAP measurable value from previous wave</li><li>• Tax revenue from commercialization of previous wave.</li></ul>   |
| Seed for Next Wave             | <ul style="list-style-type: none"><li>• Invest in engineering education, basic research prior to wave.</li><li>• Repeat the loop.</li></ul>   | <ul style="list-style-type: none"><li>• Restrict spending to match revenue.</li><li>• As more waves come in, more investment possible.</li></ul>  |

# Examples, Present and Possible

| <b>Government Role</b>                                 | <b>Action</b>  | <b>Restriction</b>  |
|--|--|---|
| <b>Cargo to ISS</b>                                    | <b>Fixed price per delivery (not launch)</b>                                 | <b>Two active vendors</b>   |
| <b>Crew to ISS</b>                                     | <b>Fixed price per crew</b>  | <b>Two active vendors.</b>  |
| <b>BEAM to ISS</b>                                     | <b>Simple short attached mission with crew access</b>                        | <b>Single mission, under 1 year, no follow-up.</b>                                    |
| <b>Asteroid Sample Return</b>                          | <b>Planetary Resources and NASA discussed this.</b>                          | <b>Fixed budget eventually.</b>   |
| <b>Red Dragon/<br/>“Gray” Dragon/<br/>Falcon Heavy</b> | <b>NASA could be broker to deliver instruments and power to moon/Mars</b>    | <b>Limited by fixed budget, successful delivery, insurance, planetary protection.</b> |
| <b>Space Nuclear Power</b>                             | <b>Should commission/deliver self-contained reactors for deep space.</b>     | <b>Bid on output. Use for ISPP, advanced probes, deep space work.</b>                 |
| <b>Deep Space Research Platform (Post-ISS)</b>         | <b>Primary research on radiation, gravity, asteroid sample/geology, etc.</b> | <b>Commercial research on asteroid mining, microgravity manufacturing.</b>            |

# Questions?

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