

Review: New Space Capitalism: The Entrepreneurial Path to the Stars

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Rainer Zitelmann has built a career making the case for capitalism against its cultured despisers, and in this [book](#) he turns that project skyward. The argument is straightforward and, once stated, almost obvious: space is not primarily a government achievement that private enterprise has recently colonized, it is the other way around. The state involvement of the Cold War—from Sputnik to Apollo—was an historical anomaly. What we are living through now—with SpaceX, Blue Origin, and a swarm of smaller ventures—is a return to form. Zitelmann frames the space economy as the next great frontier of human innovation, no less consequential than the opening of the New World or the industrial revolutions that followed it, and he wants the reader to understand that frontier as fundamentally entrepreneurial territory rather than bureaucratic terrain.

That historical argument gets its spine from the deep, often-forgotten record of privately-funded space science. Quoting heavily from former NASA chief economist Alexander MacDonald's research, Zitelmann shows that long before Sputnik or NASA existed, private money was already the dominant force in American space exploration. The "American Observatory Movement" that ran from roughly 1830 through the 1870s was financed almost entirely by wealthy individuals rather than the state, and of the major nineteenth century observatories MacDonald catalogs, only two were government owned. James Lick—a self-made piano manufacturer and California land speculator—endowed the Lick Observatory with \$700,000 (a sum equivalent to roughly \$1.8 billion in today's terms) and was buried beneath its telescope. Andrew Carnegie funded the Mount Wilson telescope and called astronomy one of the best fields of philanthropy. Not to be outdone, the Rockefeller Foundation poured millions into the Palomar Observatory.

Even Robert Goddard—the father of American rocketry—drew far more support from the Guggenheim family and the Carnegie Foundation than from the US military, which largely ignored him until his widow successfully sued the government for patent infringement decades later. The lesson Zitelmann draws is pointed and deliberately provocative: it was never humanity as a whole that felt some innate calling to explore the heavens, it was a small number of ambitious, wealthy individuals willing to spend fortunes chasing a vision, and today's billionaire space race is simply that same pattern reasserting itself after a brief Cold War detour into statism.

The book is on similarly strong ground when it turns to the present. Zitelmann treats Elon Musk's SpaceX as the clearest vindication of the private model, from the early Falcon failures through the achievement of routine

reusable boosters to the ongoing Starship test campaign, and he does not shy away from cataloging the explosions along the way as part of an honest account of iterative, high-risk entrepreneurship rather than a smooth government success story. Jeff Bezos gets his due as well. The book highlights Blue Origin's New Glenn achieving a successful vertical landing of its first stage on a floating platform in November 2025, making Bezos's company the second in history, after SpaceX, to pull off propulsive recovery of an orbital class booster. Zitelmann's verdict is blunt: Musk and Bezos have between them accomplished something no state space agency on earth has managed, and he treats this as decisive evidence for the superiority of private capital and entrepreneurial risk-taking over centrally-planned space programs.

The material on Mars colonization is where the book becomes most speculative, and also most interesting, and Zitelmann supplies several concrete arguments worth dwelling on rather than just the broad vision. He leans heavily on Robert Zubrin's case that a genuine Martian civilization cannot simply be subsidized indefinitely by earthbound taxpayers, it has to generate something worth exporting, and Zubrin's answer is intellectual property. The brutal conditions of Mars—chiefly the shortage of arable land, labor, and easy energy—will force colonists to innovate ruthlessly in exactly the domains earth needs most: hydroponic and greenhouse agriculture capable of producing food from mineral-rich but toxic regolith, closed-loop life support, robotics and automation to compensate for a permanent labor shortage, and advanced nuclear fission and fusion design, given that fusion fuel is reportedly five times more common on Mars than on earth. Zubrin's expectation is that colonists will patent these innovations and license them back to the home planet, turning necessity-driven invention into the colony's primary revenue stream long before any heavy export trade becomes viable.

Zitelmann extends this logic into the wider space economy as well, pointing to research showing that mining metals on asteroids or the Moon could ease the growing strain of terrestrial resource extraction, where new high-quality ore deposits are becoming scarcer and each unit of metal requires processing ever larger volumes of rock. Because asteroid material could be extracted with fewer ecological consequences, the book argues this would meaningfully reduce the CO2 emissions tied to energy-intensive mining on earth, and it goes further still by raising the possibility that space may yield entirely new materials with no terrestrial equivalent, opening applications nobody has yet imagined. The same logic appears in Zitelmann's discussion of space-based solar power, which he describes as capable of delivering carbon-neutral energy to earth once launch costs fall far enough for orbital solar plants to be built and, eventually, manufactured from materials mined in space rather than launched from the ground.

This is worth connecting to a comparison the book gestures toward but does not fully develop. Early colonial America was, by any reasonable standard, a miserable place to settle. The Jamestown colonists starved in such numbers that the winter of 1609 is remembered as the Starving Time, and farming methods failed repeatedly against unfamiliar soil and climate before settlers adapted crops like maize, with whole colonies coming within a season of collapse more than once. What eventually turned that hostile, marginal frontier into the wealthiest and most inventive economy on the planet was not central planning from London but exactly the kind of necessity-

driven ingenuity Zubrin predicts for Mars, applied across two centuries of trial, failure, and stubborn improvisation.

A Mars colony, on this reading, deserves to be understood the same way historians eventually understood the American frontier: not as a burden the mother world subsidizes out of charity, but as a harsh proving ground that manufactures capability precisely because it offers no easy alternative. Zitelmann's own comparison, drawn from Zubrin, of Martian pragmatism outcompeting a "tradition-bound" Earth left behind, points in this same direction, and the American precedent gives it a historical weight the book itself does not fully supply.

None of this works, however, without secure property rights, and the book's closing argument makes that case forcefully. Zitelmann walks through the maddening ambiguity of the 1967 Outer Space Treaty, whose Article II bans "national appropriation" of celestial bodies but says nothing explicit about private ownership, and contrasts it with the 1979 Moon Agreement, which does explicitly prohibit private property and treats space resources as the common heritage of mankind, a framework only eighteen countries ever ratified. His argument is that a Mars settlement without title to land or the fruits of its labor would resemble North Korea more than Singapore, and that no rational investor would fund infrastructure whose ownership could be seized in the name of "all humanity." The 2015 Commercial Space Launch Competitiveness Act—granting American citizens rights over resources they extract—and similar laws in Luxembourg, the UAE, and Japan, are presented as the sensible unilateral fix to a treaty regime too vague and too geopolitically frozen to be renegotiated.

Zitelmann is not a neutral chronicler, he is building a case, and readers skeptical of libertarian development narratives will find him overconfident that entrepreneurship alone resolves questions of governance, equity, and risk that a treaty-based commons was at least attempting to address. But, as a history of who actually paid for humanity's reach into space, and as an argument for why property rights and hard necessity will determine whether Mars becomes a thriving frontier society or a frozen, ungoverned rock, the book makes its case with real tenacity.



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