# The Future of Space Hegemony: Commercial Power and Policy Gaps

Kelly L. Soverns

*Faculty, Space Economy Institute - Rome, Italy*
*Founder & President, StellarEpoch LLC*

ORCID iD: https://orcid.org/0009-0005-2601-3744

Abstract

As commercial actors become central to orbital infrastructure, lunar exploration, and communications, traditional state-based space governance frameworks are increasingly strained. This paper explores the rise of "privatized space hegemony," in which private corporations perform hegemonic functions once monopolized by states: norm-setting, veto authority, and control of critical resources, without commensurate accountability or regulation. Drawing upon international relations theory and contemporary space policy analysis, this study demonstrates that the locus of space power is no longer state-centric. Commercial actors now exercise agenda- setting authority and shape global norms in a system where states remain formally responsible but practically dependent. The resulting asymmetry challenges existing treaties and exposes policy gaps in licensing, enforcement, and transnational accountability. The paper concludes that governance structures must explicitly recognize commercial power as a distinct hegemonic force and design mechanisms to balance innovation, responsibility, and sustainability in the evolving space economy.

***Keywords:*** privatized space hegemony, commercial space governance, public-private partnerships, international space law

## El futuro de la hegemonía espacial: poder comercial y brechas políticas

Resumen

A medida que los actores comerciales se vuelven centrales para la infraestructura orbital, la exploración lunar y las comunicaciones, los marcos tradicionales de gobernanza espacial basados en el Estado se ven cada vez más limitados. Este artículo explora el auge de la


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"hegemonía espacial privatizada", en la que las corporaciones privadas desempeñan funciones hegemónicas que antes estaban monopolizadas por los Estados: establecimiento de normas, poder de veto y control de recursos críticos, sin una rendición de cuentas ni regulación proporcionales. Basándose en la teoría de las relaciones internacionales y el análisis contemporáneo de la política espacial, este estudio demuestra que el centro del poder espacial ya no está centrado en el Estado. Los actores comerciales ahora ejercen la autoridad para establecer la agenda y moldear las normas globales en un sistema donde los Estados siguen siendo formalmente responsables, pero prácticamente dependientes. La asimetría resultante desafía los tratados existentes y expone las deficiencias políticas en materia de licencias, cumplimiento y rendición de cuentas transnacional. El artículo concluye que las estructuras de gobernanza deben reconocer explícitamente el poder comercial como una fuerza hegemónica distintiva y diseñar mecanismos para equilibrar la innovación, la responsabilidad y la sostenibilidad en la economía espacial en evolución.

***Palabras clave:*** Hegemonía espacial privatizada, gobernanza espacial comercial, asociaciones público-privadas, derecho espacial internacional

# 太空霸权的未来：商业实力与政策差距

## 摘要

随着商业行动者在轨道基础设施、月球探测和通信领域扮演日益重要的角色，传统的以国家为基础的太空治理框架正面临越来越大的压力。本文探讨了“私有化太空霸权”的兴起，即私营企业行使着曾经由国家垄断的霸权职能：制定规范、行使否决权以及控制关键资源，却缺乏相应的问责和监管。本文借鉴国际关系理论和当代太空政策分析，论证了太空权力中心已不再以国家为中心。如今，在一个由国家仍承担形式上的责任但实际上却依赖商业行动者的体系中，后者行使着议程设置权并塑造着全球规范。由此产生的不对称性挑战了现有的条约，并暴露了许可、执法和跨国问责方面的政策差距。本文的结论认为，治理结构必须明确承认商业权力是一种独特的霸权力量，并设计相应的机制，以在不断发展的太空经济中平衡创新、责任和可持续性。

关键词：私有化太空霸权，商业太空治理，政府与社会资本合作，国际空间法

## Objective

In 2025, over 15,000 operational satellites orbit Earth, most launched or operated by private companies rather than states (UNOOSA, 2025). This milestone reflects both a technological progress and a fundamental redistribution of power. The NewSpace era, roughly a decade old, has grown beyond an experiment in commercialization to the dominant architecture of global space activity. Mega-constellations, private launch systems, and commercial lunar ventures are redefining space as a marketplace and as a theatre of strategic influence.

One striking illustration came in 2022, when SpaceX restricted Starlink service to Ukraine during active conflict, citing internal corporate policy (Abels, 2024). This decision effectively overrode the strategic objectives of a sovereign state, demonstrating that commercial actors could exercise veto authority in international security affairs. Such cases challenge the assumption that states are the sole arbiters of space power. They expose what this paper terms "privatized space hegemony," the concentration of political, economic, and infrastructural control in private hands, coupled with minimal oversight and ambiguous accountability.

This paper argues that the outsourcing of core sovereign functions such as war-making, diplomacy, and resource control is diluting traditional state authority and reconfiguring the foundations of hegemony in the NewSpace era. Studied here are the ways in which privatized space hegemony alters traditional concepts of space governance, and what legal and policy gaps emerge when commercial actors assume hegemonic roles once monopolized by states.

## Background

The evolution of privatized space hegemony is best understood through international relations (IR) theory. Realism and Neorealism portray the international system as anarchic and dominated by power competition among states, emphasizing military and economic capacity. While this lens explains traditional space rivalry between the United States and the Soviet Union during the Cold War, it falls short in capturing the agency of non-state actors that now shape strategic outcomes. Liberal and Neoliberal perspectives, which emphasize cooperation through institutions, offer partial insight into public-private partnerships but underestimate the unilateral authority private firms can wield. Neo-Gramscianism, with its focus on ideological leadership and cultural consent, aptly characterizes the new hegemonic behaviors of commercial actors—those who shape global norms not through coercion, but through market dominance and perceived legitimacy (Femia, 2011).

Hegemonic Stability Theory (HST), which asserts that international order depends upon a dominant power to prevent fragmentation, once explained the Cold War's bipolar stability. Yet today, no single state controls the means of production or communication in space. Power has fragmented horizontally across states and vertically through corporate ecosystems.

Constructivism adds nuance by explaining that norms evolve through interaction; yet as They (2018) notes, traditional IR models rarely account for non-state actors as norm entrepreneurs. This omission now obscures how commercial entities construct international order through contracts, standards, and platforms.

Chandler's concept of global ideology (2013) further clarifies the paradox: appeals to the liberal world order often mask asymmetries of power. Similarly, the rhetoric of a shared, open, and cooperative space domain conceals a consolidation of influence within a few dominant corporate actors. The consequence is a governance architecture that appears collective but functions hierarchically.

Historically, space governance evolved from Cold War frameworks such as the Outer Space Treaty (OST, 1967), the Liability Convention (1972), and the Registration Convention (1975). These instruments enshrined the principle of state responsibility for all space activities, including those of private entities. Yet their enforcement mechanisms were designed for a world of two superpowers, not hundreds of companies spanning multiple jurisdictions. As commercial enterprises dominate satellite operations, resource exploration, and orbital services, the boundaries between public authority and private agency blurs. The NewSpace paradigm thus represents an ideological shift in the nature of global governance.

Evidence across major spacefaring nations confirms that hegemonic functions once reserved for states are now shared, or even dominated, by private actors. The findings below illustrate this transformation across the United States, China, and Europe.

In the United States, government partnerships with private firms have deepened through public- private research and development partnerships (PPRDPs). NASA's Commercial LEO Destinations program, Artemis resource contracts, and DoD reliance on commercial imagery demonstrate how the federal government's strategic reach increasingly depends on corporate infrastructure (Dorn, 2025). The U.S. government's 2025 equity stakes in Intel and MP Materials mark an unusual reversal—the state now subsidizes its hegemonic capacity through private ownership, confirming the logic of hollow hegemony.

China presents a parallel but distinct model. Its hybrid system of state-owned enterprises (SOEs) and commercially branded startups thins the line between government policy and market competition. Supported by military-civil fusion strategies, firms like Geely's Geespace, CASC, and CASIC serve both commercial and strategic functions (Han et al., 2023). This structure enables Beijing to project influence internationally while maintaining domestic control. As Roll and Du Bois (2025) observe, China is "living its Apollo, ISS, and commercial eras simultaneously," signifying a rapid convergence of military, civil, and commercial domains that challenges Western assumptions about phased development.

Europe, meanwhile, has responded by emphasizing regulation and normative leadership. The proposed EU Space Act asserts European regulatory sovereignty and sustainability mandates as counterweights to U.S. market dominance (Cummings & Latorre, 2025). This positions Europe as a normative hegemon that sets the standards others must follow. The EU's assertiveness mirrors its climate policy model: governance through rules rather than hardware.

Across these contexts, three defining trends emerge:

1. Norm-setting through infrastructure dominance. Mega-constellation operators like SpaceX, OneWeb, and Guowang effectively write the rules of orbital traffic.

2. Strategic veto authority. Corporations can deny or shape access to data and services vital to national defense or diplomacy.

3. Resource leverage and state dependence. States rely on private infrastructure, creating hollow hegemons that retain formal sovereignty but depend on corporate actors for operational capability.

The United States demonstrates commercial ascendancy driven by deregulation and first-mover advantage. Its NewSpace firms dominate global launch markets, satellite broadband, and lunar resource contracts. Yet this power relies on a symbiotic public-private relationship where the government functions as both a regulator and a dependent client.

China's trajectory is marked by deliberate state orchestration. Its military-civil fusion policies embed commercial capacity within national strategy, while private capital is encouraged under tight oversight. The result is a controlled market system that advances state priorities abroad. Europe represents a third model: hegemony through legalism. Its regulatory frameworks extend extraterritorially, compelling compliance by non-EU firms seeking market access.

Beyond these powers, emerging nations use diplomatic and cooperative means to achieve relevance. Indonesia's National Space Development Master Plan and participation in UN COPUOS reflect the use of space diplomacy to overcome capacity constraints (Nur Herianto et al., 2025). In Africa, the African Space Agency and national CubeSat programs illustrate a collective effort to avoid dependency through regional collaboration. The Maldives' creation of a National Space Fund (Rainbow, 2025) shows how small states can mobilize financing to foster indigenous capacity. Each approach reveals a different negotiation with privatized hegemony: alignment, regulation, and innovation from the margins.

## Methods

This study employed a normative research approach to examine behavioral patterns emerging in the NewSpace era, integrating both conceptual analysis and comparative methodology. It investigated contemporary trends in space activities and hegemonic constructs as reflected in policy documents, program literature, and case studies highlighting commercial and state dominance. A content analysis matrix provided a comparative analysis of prominent NewSpace initiatives and the power structures within which they operate. Independent variables included specific examples of commercial space programs and enabling initiatives, the state actors involved, applicable laws and regulations, and the resulting legal and regulatory gaps or questions that arise.

## Results

An analysis of the structural relationships among leading and emerging space actors reveals varied pathways to hegemony. The evidence across commercial space activities demonstrates that private actors are performing hegemonic functions once reserved for states. This emerging pattern is best described as privatized space hegemony: the concentration of agenda-setting, veto authority, and normative power in commercial hands. Taken together, these examples confirm that the locus of hegemony in space is shifting. Privatized space hegemony is observable in practice, marked by ambiguous accountability, limited oversight, and growing state reliance on corporate actors.

## Discussion

This redistribution of hegemonic power raises complex questions for governance. The OST's principle that states are responsible for their non-state actors is increasingly untenable when those actors operate transnationally. Mega-constellations licensed in one jurisdiction serve clients globally, and resource ventures conflate public and private roles as they work through national interest and corporate ambition. The resulting governance vacuum allows norms to form through commercial precedent rather than intergovernmental consensus.

A recalibrated model of governance must integrate private actors as co-regulators. One possible path is the creation of a commercial chamber within COPUOS, or an industry code akin to the Basel Accords in global finance, establishing shared standards for risk, sustainability, and transparency. Multi-stakeholder mechanisms could formalize commercial participation in norm- making without undermining state sovereignty.

At the same time, governance reform must confront the risk of regulatory lag. First movers such as SpaceX, OneWeb, and Guowang, have already defined operational norms through market behavior. This dynamic mirrors what Chandler (2013) dubbed "the hollowing of authority," where formal governance follows informal power. Competing frameworks like the U.S.-led Artemis Accords and the proposed Chinese-Russian PPWT (Prevention of the Placement of Weapons in Outer Space Treaty) reflect this fragmentation. Neither can achieve legitimacy without commercial inclusion.

Equity must remain a core principle. Without mechanisms ensuring equitable access to orbits, spectrum, and resources, privatized space hegemony risks replicating global economic inequalities. Governance innovations, such as sustainability-linked financing, technology-sharing consortia, and regional debris-mitigation agreements, could align national and corporate incentives toward a shared-space commons.

## Limitations and Bias

This paper is conceptual and interpretive rather than empirical. It draws primarily from policy literature, international relations theory, and case-based analysis of leading spacefaring nations. The findings reflect the availability and framing of secondary data, which may privilege English- language and Western academic sources.

In addition, the study focuses on the United States, China, and the European Union as principal case studies. While this triad captures much of the global commercial and regulatory influence, it may underrepresent perspectives from emerging space actors in Africa, Asia, and Latin America whose experiences could refine or challenge the concept of privatized hegemony.

The author also acknowledges an interpretive bias toward governance analysis over technological or economic modeling. The lens adopted here draws from neo-Gramscian and constructivist traditions, which are foregrounds for power and norms rather than market metrics. These choices shape the conclusions but also offer a coherent theoretical framework for understanding commercial-state interdependence in space.

## Conclusion

Privatized space hegemony is now an observable feature of the international system. Private firms now shape state agendas, and the diffusion of hegemonic power to commercial actors introduces both resilience and risk. Resilience arises from innovation and distributed capacity; risk emerges from unaccountable influence. Without institutional adaptation, states risk becoming symbolically powerful yet operationally dependent.

Chandler's critique of global ideology reminds us that structures of power often appear universal while serving particular interests. The same applies to the commercialization of space. If unchecked, privatized hegemony could transform the ideal of space as the province of all humankind into a de facto oligopoly of corporate actors. Conversely, a balanced regime that incorporates commercial stakeholders into transparent, enforceable governance could turn this interdependence into strength.

The legitimacy of future space hegemony will rest not on dominance, but on stewardship. Space sustainability, inclusivity, and accountability will define the next measure of global leadership. Recognizing this shift and building adaptive governance around it is essential if space is to remain a domain of cooperation and shared benefit rather than competition and exclusion.

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## Conflicts of Interest

The author is affiliated with several organizations involved in space policy and commercialization. These affiliations did not influence the research, interpretation, or conclusions presented in this paper.

## Ethical Obligations

The author affirms compliance with ethical research and publication practices. All data utilized are publicly available or appropriately cited from secondary academic and policy sources. No human participants, confidential materials, or classified information were involved in this study.