



NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
WASHINGTON, D.C. 20546

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May 9, 1968

OFFICE OF THE ADMINISTRATOR

Dr. Joshua Lederberg
Department of Genetics
School of Medicine
Stanford University
Palo Alto, California 94304

Dear Josh:

As I agreed during our conversation at the Lunar and Planetary Missions Board meeting at Ames, I am enclosing a copy of Morgenstern's letter to me concerning the concept of discount value and proper discount rates. I hope that it is of some use.

We hope to continue in this effort with the objective first of examining what rate might be applied and secondly, seeing if we can identify economic factors other than discount value which might be applied to help in choosing alternative projects and programs within NASA and possibly in relating the space program to other alternative national goals.

Our reference point in such efforts is Charlie Towne's Science article, "Quantum Electronics."

Also I am enclosing a copy of a portion of a NAS/NRC report on the economic value of oceanography which addresses itself to the discount value approach.

Sincerely yours,

W. G. Stroud
Assistant to the
Associate Administrator

Enclosures

W. G. STROUD