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4.9 Mar. 1,65

MEMORANDUM FOR: Chairman, Committee on Overhead Reconnaissance

SUBJECT

: Cost of Aerial Reconnaissance

REFERENCE

: COMOR Memorandum to D/BPAM,

of 13 October 1965

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- 1. You requested in the referenced memorandum that COMOR be provided with a study of the costs involved in reconnaissance by manned aircraft. I have restricted my analysis to U-2 costs inasmuch as the U-2 is the only major CIA reconnaissance aircraft currently in operation.
- 2. The problem as posed is not subject to easy solution because it rests on a fallacious assumption. It fails to recognize that the conduct of an overhead reconnaissance program by its nature included infrastructural costs which, although variable, are largely independent of the number of missions. Thus we find that over a three-year period the annual reconnaissance programs funded by NRO and CIA were as follows:

FY 1964 FY 1965 FY 1966

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The variation from year to year depended largely upon the number of cameras, airborne electronics and other equipments required to keep the fleet of U-2's up-to-date. Although the number of missions flown also varied, the 25X1 costs of these flights were not nearly as significant as other basic overhead and equipment costs. The key to the problem is to acknowledge the basic cost of maintaining a reconnaissance capability at about a year and then to compare and evaluate the cost effectiveness or this capability versus other ways of obtaining the information. Each additional mission flown within the program costs a relatively small amount.

3. I have summarized below three methods which might be used to determine unit mission cost, although I do not believe that any of them sheds much light on the problem.

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