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DEVELOPMENT OF THE AMOUNT TO BE OFFERED THE MARSHALLESE  
IN SETTLEMENT OF NUCLEAR CLAIMS

A conservative approach to arrive at a figure for negotiating radiation damage land claims must involve setting a value in fee for the land. Such an approach is conservative because in effect, it amounts to paying a full "purchase price" for the land. The value should be consistent with work done in connection with preparation for the Kwajalein base negotiations where KMR land was appraised to have a value in fee of \$4,668 per acre, and mid-atoll corridor land was appraised to have a value in fee of \$3,500 per acre. The land subject to radiation claims varies in quality, but is considered to lie in value between that assigned to KMR and that assigned to the mid-atoll corridor. Thus, for our purposes it is reasonable to assume a value in fee of \$4,000 per acre.

Eniwetok Atoll has a total land area of 1,760 acres, but only about 1,100 acres are subject to a damage claim. At \$4,000 per acre, the value in fee of this land is about \$4.4 million. This figure must be adjusted for amounts already paid as compensation. Eniwetok has received ex gratia cash payments of about \$1.2 million and have been given clear title to land worth about \$.4 million (Ujelang), for a total of \$1.6 million. However, the \$2.8 million remaining for Eniwetok (\$4.4 million value in fee less \$1.6 million compensation) does not take into account the extraordinary \$95 million effort now underway to clean up that atoll. For practical purposes, this should satisfy any remaining Eniwetok land claim because it makes them whole.

Bikini Atoll has a total land area of about 1,900 acres, all of which are subject to a damage claim. Using the same valuation figure of \$4,000 per acre, the value in fee of this land is about \$7.6 million. The Bikini people have received about \$3.4 million in compensation, but it is open to question whether these payments should in any way be considered as compensation for land damage as opposed to compensation for disruption of the people's lives. Depending on whether or not these payments are offset against the \$7.6 million land value, the Bikini claim value would range from \$4.2 to \$7.6 million.

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The possibility also exists that land at Rongelap Atoll and elsewhere in the Northern Marshalls may be subject to a land claim. The best prognosis now is that no more than 500 acres might be subject to such a claim. This would mean adding another \$2 million to the damage amount, making a total of \$6.2 to \$9.6 million. Should the radiological survey now in progress result in data to support claims in excess of 500 acres at Rongelap or elsewhere, this figure would need to be revised upward.

As a practical matter, we cannot assume such an analysis would be totally acceptable to the Marshallese. There are bound to be differences of opinion, and our negotiator must have some room to maneuver. For example, no matter what the hard facts, it is unlikely Eniwetok will not want some part of a settlement. Setting an upper limit in this context is an arbitrary decision. Nevertheless, for practical as well as psychological reasons, the figure of \$10 million as a boundary makes sense, subject to possible upward revision, noted in the preceding paragraph, should the damage at Rongelap and elsewhere in the Northern Marshalls prove greater than is now foreseen.