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MEMORANDUM

THE WHITE HOUSE
WASHINGTON

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SECRET

March 29, 1982

SIGNED

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: WILLIAM P. CLARK *WPC*
SUBJECT: Settlement of Northern Marshall Islands
Nuclear Claims

Issue

How to settle cases pending before the United States Court of Claims which allege damages totaling \$4.85 billion and administrative claims totaling \$1.68 billion. All result from our nuclear testing activities in the Pacific.

Facts

A SIG, chaired by the State Department has examined these claims in detail and came up with an estimate indicating that they might be settled out of court for a total of \$195 million. OMB, examining the same material, reduced this amount to \$125 million. Fred Zeder, the Chief Status Negotiator, is willing to try to settle these claims for \$125 million with an understanding that he may seek some additional flexibility up to the higher figure of \$195 million originally recommended.

Discussion

Settlement of these claims is one of the most complicated issues attendant to negotiating a Compact of Free Association with the Marshall Islands. Settlement of these claims at this figure would be a remarkable achievement.

Recommendation

OK No

PK — That you sign the attached NSDD, authorizing Mr. Zeder as the Chief Status Negotiator to commit up to \$125 million to settle the nuclear claims.

Attachment

Tab A NSDD 29

Declassified "Released" 9/6/95
under provisions of E.O. 12958
by D. Van Tassel, National Security Council
(F87-249)

Prepared By:
Donald Gregg

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~~Review on March 23, 1988~~

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