

\$59 Million, Gone: How Bikini Atoll Leaders Blew Through U.S. Trust Fund

The Trump administration lifted spending limits on the fund, which aids descendants of people forced to leave the coral reef because of U.S. nuclear testing.

By Pete McKenzie

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The golden sand of Bikini Atoll is laced with plutonium. The freshwater is poisoned with strontium. The coconut crabs contain hazardous levels of cesium.

In the 1940s and '50s, the U.S. government used this coral reef, in the Pacific nation of the Marshall Islands, for testing nuclear weapons. Radioactive residue has left Bikini uninhabitable to this day, forcing those whose families once lived on the atoll into exile on a handful of other Marshallese islands and in the United States.

Recognizing the damage its testing caused, the U.S. government established two trust funds in the 1980s to help pay for Bikinians' health care, build housing and cover living costs. In 2017, after a campaign by Bikini leaders for greater autonomy, the Trump administration announced that the government would lift withdrawal limits and stop auditing the main fund, then worth \$59 million.

Six years later, only about \$100,000 remains, and the Bikini community is in crisis.

Anderson Jibas, the mayor of the council that oversees the displaced Bikini community, made a series of questionable purchases on Bikini's behalf, including of a large plot of land in Hawaii and a fleet of new vehicles. He has defended some of the purchases as investments against climate change, as necessary to support isolated Bikinians and as attempts at revenue-generating projects.

Mr. Jibas has also acknowledged using trust fund money for personal expenses and has been accused by a top Marshall Islands official of receiving kickbacks from an investment manager — a charge Mr. Jibas denies.





With the fund vi aid. Monthly payments of ab ed cover food and rent among a population with high rates of poverty — have ceased.

The emergency highlights the lasting consequences of decades of U.S. nuclear testing in the Pacific, including lingering questions about the American commitment to address that legacy, an undertaking made more difficult by pervasive fraud and mismanagement in the region.

“It’s a disaster,” said Tommy Jibok, a former member of the Bikini council who challenged Mr. Jibas in an election in 2019. “They told us we would be sitting and sleeping on money. Look what is happening now. We’re sleeping on nothing.”

In 1946, the United States relocated the 167 inhabitants of Bikini to clear the way for nuclear tests that it said would “end all world wars.” It then left them virtually alone on a small, desolate island, where many nearly starved. In 1948, the islanders were moved again.

Over 12 years, the United States tested 23 nuclear bombs in Bikini. In 1968, President Lyndon B. Johnson announced that the Bikinians would return home. But after scientists found that radiation levels remained dangerously high, the United States in 1978 evacuated the almost 150 people who had chosen to go back. The Marshall Islands gained independence from the United States the next year.

In 1982, the American government established a \$25 million resettlement fund to clean up Bikini and support its people. In 1987, it created a second fund to provide annual payments directly to Bikinians. A year later, it contributed an additional \$90 million to the resettlement fund. American officials administered the money and could veto withdrawals.

Bikini representatives argued that the resettlement fund contained too little money to remedy the atoll’s radioactivity. They used the funds instead to support the exiled Bikinians.



Mike Pompeo, then the secretary of state, visiting in the Marshall Islands in 2019. With him is Hilda Heine, the Marshallese president from 2016 to 2020. Jonathan Ernst/Agence

France-Press — Getty Images

But the Bikini leaders were frustrated by American officials' refusal to release more than a few million dollars each year. The struggle culminated in 2016 with the election of Mr. Jibas, who promised to take control of the resettlement fund. (The other fund is overseen by independent trustees.)

During a 2017 congressional hearing, Mr. Jibas explained that Bikinians "know far better than the intermediaries or distant agencies of the United States what is needed to make the lives of the displaced population more bearable."

Douglas Domenech, at the time an assistant interior secretary, announced that the Interior Department would relinquish control of the resettlement fund to "restore trust and ensure that sovereignty means something."

Mr. Jibok, the former Bikini council member, had a different interpretation: that U.S. officials wanted to "wash their hands clean" of responsibility for Bikinians.

Whatever the motivation, the result was a rapid increase in council spending under Mr. Jibas, from \$7.6 million in 2016 to \$25.7 million in 2018, according to audits from the time. Bank statements provided by Gordon Benjamin, a lawyer for the council, show that the fund, worth \$59 million in 2017, was down to just \$100,041 in March of this year.

Many of the council's purchases were popular, including of a small aircraft and two cargo ships to help supply isolated Bikinians, as well as construction equipment to build protections against rising seas that threaten low-lying Pacific islands because of climate change.

But there were also more dubious purchases: \$4.8 million for 283 acres of land in Hawaii; \$1.3 million for an apartment complex in the Marshall Islands' capital, Majuro; and multiple new vehicles for the personal use of Bikini council members, according to Mr. Benjamin. Mr. Jibas also introduced an annual \$100,000 "representation package" to fund his regular trips to the United States.



Isles that form part of Majuro, the Marshall Islands' capital. One of the purchases made with the resettlement fund was an apartment complex in Majuro. Josh Haner/The New York

Times

Mr. Jibas has said he wants to develop housing in Hawaii for rent or sale, but no development has taken place yet. The Majuro apartment complex was purchased as an investment property, but it appears to be losing money so far.

Lani Kramer, a Bikinian who previously worked as the council's city manager and is now challenging Mr. Jibas for the mayoralty, said Mr. Jibas and council members had used public funds for personal spending. "They were bringing receipts for diapers, chewing gum," Ms. Kramer said. "It was obviously not for the people, it was for their own grocery shopping."

The Marshall Islands' banking commissioner has also accused Mr. Jibas of accepting \$50,000 from a local bank manager who is being prosecuted on suspicion of unlawfully investing Bikini funds and laundering money. The Marshallese auditor general did not respond to requests for comment about the allegations.

Starting in 2018, Mr. Jibas refused to disclose council finances to the Marshall Islands' auditor general, prompting the police to seize council documents in 2021. Late last month, a spokesman for the Interior Department said it had written to bank officials seeking information about the fund and to Mr. Jibas requesting the council's recent budgets.

That request came after Jack Niedenthal, an American expatriate who served as the Marshallese health secretary, wrote to the Interior Department warning about the depleted trust fund and asking the department to intervene. He was subsequently fired for breaching diplomatic protocol by circumventing the Marshallese foreign ministry and the American Embassy.

Mr. Jibas acknowledged in an interview that he occasionally used his representation package to buy food and other items for his family, which he said council staff members were aware of and had approved, but he denied taking money from the bank manager.



Collecting laundry on Ejit, an isle in Majuro. The money from the resettlement fund is nearly gone, and the Bikini community is in crisis. Josh Haner/The New York Times

Mr. Jibas said in the interview that he was trying to access the independently controlled second fund, which now holds \$28 million, to sustain council spending.

According to Mr. Benjamin, starting in October 2021 the trustees of that fund permitted the council to withdraw roughly \$13 million to fund its spending, but reversed their stance earlier this year and halted all payments out of the fund, including the regular living payments to Bikinians, to avoid further depletion. In the interview, Mr. Jibas said he also hoped to tap into new American funding to replenish the main fund.

Earlier this year, the Biden administration promised to provide the Marshall Islands \$700 million in one-time aid and to continue underwriting much of the government's budget. Under a treaty, the United States controls the country's defense policy, which the American government considers crucial to countering China in the region. The aid has not yet been approved, meaning Bikinians' future remains uncertain.

In a statement on behalf of Mr. Jibas, Mr. Benjamin said that the mayor's critics were not pushing the United States hard enough for more funding.

Mr. Jibok, who as a council member opposed Mr. Jibas's efforts to gain control of the fund, said that the United States had done little to facilitate self-sufficiency in the Bikini community, leaving few financial safeguards in place.

"I didn't think we were ready," Mr. Jibok said, "because I knew that we didn't have anything in place to control" mismanagement or fraud.