

Trump-era officials under fire as nuclear fund for Bikini islanders is squandered

Former staff have criticized the interior department for ignoring the risk of fraud after the Trump administration ceased scrutiny of a \$59m fund for nuclear survivors, which is now depleted

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The Bikini Atoll islands, part of the Marshall Islands, were the site of 21 US nuclear weapons tests between 1946 and 1958. Photograph: Photo Resource Hawaii/Alamy

Former staff have lashed the US Department of the Interior for failing to predict that a 2017 decision to lift oversight from a \$59m trust fund for Pacific Islanders displaced by American nuclear testing would lead to the fund's exhaustion through mismanagement and alleged fraud.

Tom Bussanich, who in 2017 was a senior official in the department's Office of Insular Affairs, said that he "would have bet money that there would have been issues with the trust fund and that the money would have been wasted". Allen Stayman, a former director of the Office of Insular Affairs, dismissed the office as "the agency of acquiescence".

Meanwhile, confidential bank documents reviewed by the Guardian reveal red flags that could have alerted the department to potential issues had it been scrutinising the fund, including the transfer of millions of dollars to two personal checking accounts over which the fund's trustees had no oversight.

Together, the criticism and confidential documents are likely to increase the pressure the interior department faces for its role in the fund's exhaustion, which left thousands of nuclear survivors and their descendants bereft.

The US government established the fund in the 1980s to support displaced residents of Bikini Atoll, a small reef in the Pacific nation of the **Marshall Islands** which the US left uninhabitable after it tested 23 nuclear weapons there between 1946 and 1958. Until recently, the fund provided several million dollars each year to a council that oversaw the displaced Bikinians, helping to provide housing, food and education in a country where the median income is \$9,600 and almost half of households skip meals due to lack of money.

In 2016, however, Anderson Jibas was elected mayor of the Bikinian council and began pushing the interior department to hand over control of the fund. In 2017, Douglas Domenech, who Donald Trump had appointed as assistant interior secretary, announced that the department would hand over control of the fund, which by then held \$59m, to "restore trust and ensure that sovereignty means something".

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Earlier this month, the New York Times **reported** that the fund had been whittled down to about \$100,000, largely through extravagant spending by Jibas on projects including land development in Hawaii, new ships and planes, and an apartment complex in the Marshall Islands.



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Annual bank statements reviewed by the Guardian show that some of the money was disbursed directly from the trust fund to the vendors with whom Jibas and other local officials were negotiating. Because those disbursements were direct, they allowed the fund's trustees to exercise a measure of oversight.

But the statements also show that Jibas and the council's American lawyer, Gordon Benjamin, instructed trustees to disburse large sums of money to a Bank of Guam checking account that they said was being used for "council operations" but which the trustees could not scrutinise. In 2019, for example, Jibas and Benjamin instructed trustees to disburse \$15.36m to the Bank of Guam account. When asked about the Bank of Guam account, Jibas said in a written statement that he had "no idea what you are talking about".

The Guardian also reviewed correspondence between Benjamin and the trustees and found cases of controversial spending. In March 2019, for example, Benjamin wrote that, "Since early February, a team of [Bikini] Council, an engineer, two contractors, and I have been on an active search for an airplane for KBE Tourism. Payments to at least one of the contractors, plus travel expenses and per diems etc. has begun to mount as travel has taken the team to Europe and Asia in search of an airplane."



📷 A mushroom cloud forms after an atomic bomb test explosion off the coast of Bikini Atoll, Marshall Islands. Photograph: Keystone/Getty Images

Benjamin said the team was travelling to Papua New Guinea and "needs \$250,000 immediately" to be disbursed from the fund to the Bank of Guam account to cover travel expenses and a partial deposit on a potential plane.

Also in 2019, Benjamin instructed the trustees to send \$50,000 directly to Jibas's Bank of Hawaii personal savings account. Benjamin explained that the money was part of a council-approved "representation package" to pay for "meetings with contractors, consultants, U.S. Government and Marshall Islands' Government and Local Government representatives". Benjamin did not respond to questions about the spending.

Some of Jibas and Benjamin's early instructions to the trustees included the signatures of a majority of the Bikinian council. Later, the process was changed so that disbursements could be made without evidence that they had been approved by the wider council. Jibas said this change was made by the trustees.

The release of large sums to checking accounts that trustees could not scrutinise might have attracted concern from American officials, but by then the interior department was no longer receiving information about the fund from the Bikinian council or bank officials. The department declined to comment on the bank documents.

From 2018, Jibas refused to provide the council's financial documents to the Marshallese auditor-general, forcing Marshallese police to forcibly seize the documents in 2021. In an interview with the New York Times, Jibas admitted he occasionally used money from the fund to pay for personal items.

Jibas told the Guardian that he had also directed between \$200,000 and \$250,000 from the fund towards the construction of a two-story house for his personal use. He claimed this project had been approved by the Bikinian council.

Stayman, the former director of the Office of Insular Affairs, said the interior department had withdrawn oversight despite the risk of fraud because it did not want to anger local officials. "The position of many officials behind the scenes has historically been that Interior shouldn't have oversight, because if we have oversight, then we're going to have disagreements with the islands, and we can't handle disagreements," Stayman said. The department declined to comment on the criticisms.

Last week, following protests by Bikinians angered by the New York Times's revelations, the Marshallese government temporarily placed the Bikinian council's finances in the care of the national ministry of finance. In contrast, accountability in America seems less likely. An official familiar with the situation said the department was "hoping to contain the story" and "circling the wagons" against potential scrutiny by Congress.

American spending in the Marshall Islands is largely overseen by the Senate committee on energy and natural resources. Spokespeople for Senators Lisa Murkowski, Catherine Cortez-Mastro and Maria Cantwell, all members of the committee who expressed concern in 2018 about relinquishing oversight of the fund, did not respond to requests for comment about whether they would investigate the department's management of the fund.

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