

~~CONFIDENTIAL~~

July 9, 1954

AEC 730/6

COPY NO. 15

ATOMIC ENERGY COMMISSION

COMPENSATION TO JAPAN

Note by the Secretary

1. The attached letter and enclosed documents from the Director, Foreign Operations Administration, are circulated for the information of the Commission.

2. This correspondence has been referred to the Director of Special Projects.

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ROY B. SNAPP
Secretary

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BY AUTHORITY OF J. G. Hawthorne, OC, DOE
BY Memo DATE 3/11/81

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FOREIGN OPERATIONS ADMINISTRATION
WASHINGTON 25, D. C.

Office of the
Director

July 2, 1954

The Honorable
Lewis L. Strauss
Chairman, Atomic Energy Commission

Dear Mr. Strauss:

There is transmitted herewith, in accordance with the instructions of the President, a copy of his Memorandum of Determination with respect to special compensatory relief and rehabilitation assistance for Japan.

For your information, there are also attached copies of the following additional documents pertaining to this transaction:

1. My memorandum of recommendation to the President.
2. My letters to the Chairmen of the Senate Foreign Relations and the House Foreign Affairs Committees.

Sincerely yours,

/s/

HAROLD E. STASSEN

Enclosures

[REDACTED]

[REDACTED]

[REDACTED]

June 29, 1954

MEMORANDUM FOR THE DIRECTOR, FOREIGN OPERATIONS ADMINISTRATION

In accordance with the recommendations contained in your memorandum of June 29, 1954, I hereby determine that not to exceed \$1,000,000 of the funds available under the Mutual Security Act of 1951, as amended, may be used pursuant to the provisions of Section 513(b) for the purpose of furnishing special assistance to Japan for compensatory relief and rehabilitation of Japanese nationals who sustained personal and property damage as a result of the recent nuclear test in the Marshall Islands, without regard to the requirements of the Mutual Security Act or any other Act for which funds are authorized by the Mutual Security Act. I have determined that such use of funds is in furtherance of the purposes of the Mutual Security Act and is important to the security of the United States. The Secretaries of State and of Defense, and the Director of the Budget Bureau are to be notified by you of this determination. You are also requested, on my behalf, to notify the Chairman of the House Committee on Foreign Affairs and the Chairman of the Senate Committee on Foreign Relations.

/s/ Dwight D. Eisenhower

Recommended by: The Department of State

_____ Date

The Department of Defense

_____ Date

The Director of the Budget

_____ Date

The Director, Foreign Operations Administration

_____ Date

[REDACTED]

[REDACTED]

FOREIGN OPERATIONS ADMINISTRATION
OFFICE OF THE DIRECTOR
WASHINGTON 25, D. C.

June 29, 1954

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Special Compensatory Relief and Rehabilitation
Assistance for Japan

On March 1 a small Japanese fishing vessel with a crew of 23 received a deposit of radioactive ash several hours after the crew had observed the tremendous flash and explosion resulting from a nuclear test conducted by the United States at Bikini. After several days, some of the members of the crew began to suffer from skin burns and were found upon arrival in Japan to have been injured as a result of the nuclear test. The United States has indicated to the Japanese Government its willingness to provide compensation, without admission of any liability, for this and other damage resulting from the Bikini incident. The State Department has been conducting informal negotiations with the Japanese Foreign Office. Japan has estimated total direct personal and property damage to be about \$800,000, with an additional \$6,000,000 of indirect damage resulting from loss of profits by the fishing industry, depressed prices, and governmental expenditures. Under the circumstances described by the American Embassy in Tokyo, and in view of the great importance of this matter in United States-Japan relations, and in view of its corresponding importance to the security of the United States, the Department of State has concluded that a final compensation settlement of \$750,000 to as much as \$1,000,000 would not be unreasonable.

The Operations Coordinating Board has considered this problem at length, and has concluded that the promptest and most desirable method of compensating the Japanese nationals injured in the Bikini incident would be through the furnishing of not more than \$1,000,000 worth of relief and rehabilitation assistance under the terms of Section 513(b) of the Mutual Security Act of 1951, as amended.

Accordingly, it is recommended that the President determine, pursuant to Section 513(b), (1) that up to \$1,000,000 of the funds available under the Mutual Security Act may be used for the purpose of furnishing special assistance to Japan for the compensatory relief and rehabilitation of Japanese nationals who sustained personal and property damage as a result of the recent nuclear test in the Marshall Islands, without regard to the requirements of the Mutual Security Act or any other Act for which funds are authorized by that Act, and (2) that the use of these funds is important to the security of the United States. In the event that you make this determination, it is contemplated that the funds to be used

[REDACTED]

[REDACTED]

for this purpose will be drawn from the funds appropriated by the Mutual Security Appropriation Act, 1954, for assistance authorized by Section 540 of the Mutual Security Act of 1951 for the purpose of Section 101(a)(1).

This recommendation has the concurrence of the Secretary of State, the Secretary of Defense, and the Director of the Bureau of the Budget. The Attorney General has been afforded an opportunity to comment, and interposes no objection to the use of this procedure to compensate the Japanese.

/s/

HAROLD E. STASSEN

[REDACTED]

[REDACTED]

FOREIGN OPERATIONS ADMINISTRATION

July 2, 1954

The Honorable
Alexander Wiley
Chairman, Committee on Foreign Relations
United States Senate
Washington, D. C.

Dear Mr. Chairman:

The President has, on June 29, 1954, determined that not to exceed \$1,000,000 of Mutual Security appropriations may be used pursuant to Section 513(b) for the purpose of furnishing special assistance to Japan for compensatory relief and rehabilitation of Japanese nationals who sustained personal and property damage as a result of the recent nuclear tests in the Marshall Islands without regard to the requirements of the Mutual Security Act or any other Act for which funds are authorized by that Act. He also determined that such use of funds is in furtherance of the purposes of the Mutual Security Act and is important to the security of the United States. At his request I am transmitting this letter to you to notify your Committee of the determination, pursuant to Section 513(b).

I am enclosing for the information of your Committee a copy of the President's determination. I am also enclosing a copy of the recommendation which served as the basis for the determination and was made by me to the President and concurred in by the Departments of State and Defense, Bureau of the Budget, and by the Chairman of the Atomic Energy Commission.

In connection with the classification of this letter and the attached materials as Confidential, it should be noted that the negotiations have not as yet been concluded with the Japanese Government fixing a final figure for the compensation settlement contemplated under this determination.

Sincerely yours,

/s/

HAROLD E. STASSEN

Identical letter to:

Honorable Robert B. Chiperfield
Chairman, Committee on Foreign Affairs
House of Representatives