



## **Marshall Islands to U.S.: Key Missile Test Site Worth More** by Jim Wolf

Not unlike a mouse that roared, the tiny Republic of the Marshall Islands has sent Washington a wakeup call.

It said recently that it would seek "a much better deal" to welcome continued U.S. access to its Kwajalein Atoll, a necklace of specks in the central Pacific vital to Washington's drive to build shields against ballistic missiles.

Boosting the current rent, variously estimated at \$10 million to \$12.8 million a year, to an unspecified "fair market value" will be the top priority in coming lease renewal negotiations with the United States, Foreign Minister Phillip Muller said in an interview in Honolulu.

Pointedly, he left open the possibility that Marshallese clan leaders could resort to disrupting U.S. operations if they felt they were being short-changed for use of their lands. They did so repeatedly in the late 1970s and early 80s.

"We know from history what they're capable of doing," Muller said, referring to "sail-in" protests and sit-ins on U.S.-leased islands before the existing military operating pact took effect in 1986. The current president, Imata Kabua, Kwajalein's largest landholder, was clubbed by a U.S.-employed guard during one such protest he led in July 1979.

"We think the Marshallese people are entitled to a much better deal for use of this unique asset," added Muller, who is to head the RMI team that will negotiate with Washington.

The Marshall Islands, a sovereign state, has a complex relationship with the United States under a so-called Compact of Free Association that took effect in 1986. Part of a former U.S.-administered trust territory, the RMI, as the country is known, granted the United States permanent responsibility for its defense and security during the Cold War. In exchange, it received grants, access to many federal programs and, with neighboring islands states, more U.S. funding per capita than any other nation.

A key subsidiary agreement of the compact gave the United States continued use in Kwajalein Atoll of a U.S. Army missile test range for 15 years with an option to renew automatically at a fixed rate for another 15. But U.S. officials acknowledge that exercising the option without regard to reasonable RMI wishes could poison the relationship and complicate operations.

U.S.-RMI negotiations are to begin by October 21, two years before the current 15-year lease runs out along with economic provisions of the compact of free association.

Outlining his government's agenda, Muller cited a long list of grievances, led by "grossly insufficient" compensation

for harm from the 67 U.S. nuclear tests carried out in the island chain from 1946 to 1958.

Marshallese claimants were dying without receiving their full awarded damages because the \$150 million fund set up for this purpose could afford only installments, he said. He complained that the Marshallese had been kept in the dark on the scope of nuclear fallout during negotiations in the early 1980s.

The minister's comments, taken as a whole, suggest the United States could face a substantially bigger bill in coming years for continued problem-free access to Kwajalein.

A top Pentagon official has said renewing the lease is an issue of the "highest priority" for the United States.

"The requirements of our missile defense and space surveillance programs combined with the uniqueness of Kwajalein's location, infrastructure investment, and real world treaty restrictions, makes this an issue of the highest priority," Kurt Campbell, deputy assistant secretary of defense for the region, told Congress on October 1.

Critical aspects of U.S. ballistic missile, anti-ballistic missile, space and intelligence-gathering programs hinge on a \$4 billion complex on Kwajalein Atoll, made up of about 100 coral islands looped around a 900-square mile lagoon, the world's largest.

The lagoon has served for decades as a catcher's mitt for testing and tweaking intercontinental ballistic missiles launched from Vandenberg Air Force Base, 4,840 miles away; intermediate-range missiles from Barking Sands, Hawaii, 2,430 miles away; and shorter range tactical missiles from Wake Island, 730 miles away.

More to the point in the post-Cold War world, Kwajalein atoll is now being used to develop a land-based system to shield all 50 states from long-range missiles such as those apparently being developed by North Korea and Iran. It is also a test bed for "Theater" missile defenses to protect troops in the field.

A decision on whether to deploy a limited national defense system, due in June 2000, depends largely on four performance tests, starting in mid June, of interceptors fired from Kwajalein, U.S. officials said last month.

Kwajalein is the only spot on earth currently suitable for full-scale testing of long-range missiles and the only one for testing ballistic missile intercepts outside the atmosphere, according to the Pentagon. Under U.S. Army control since 1964, the lagoon's shallow waters make for easy retrieval of test objects, and the very deep surrounding ocean provides secure disposal of objects not to be recovered.

Muller said the RMI was working with private U.S. consultants to pin down terms of a possible package deal for renewing the lease. This might include a lump sum payment to a new development fund that would upgrade schools, hospitals and other infrastructure for Marshallese living on non-U.S.-leased islands in Kwajalein atoll, he said.

In exchange, the RMI was prepared to consider a possible 30-year extension rather than the 15-year automatic renewal option to 2016 already in Washington's pocket, he added. He made his remarks during a stopover in Honolulu en route to Taiwan to prepare a state visit by President Kabua.

RMI maneuvering room on the lease is limited because, like the United States, it could ill afford to lose it. The economy is heavily dependent on revenues generated by the missile range, including an estimated \$14 million in annual salaries to the nearly 1,300 Marshallese workers who live on neighboring Ebeye and commute to Kwajalein island by ferry each day.

Muller said a fair market value for the use of Kwajalein might be based on U.S. rent for comparable overseas facilities. He made his remarks during a stopover in Honolulu en route to prepare a state visit to Taiwan by President Kabua later this week.

Campbell, in testimony before a joint hearing of the House of Representatives Committee on Resources and the Committee on International Relations, pointed out that using Kwajalein could become more difficult if negotiations on expiring economic aid dragged on and the Marshallese turned sour.

“While the agreements may be negotiated separately, provisos of the compact help provide the basis for the support of the Marshallese, who in turn provide not only much of the labor force, but also a positive local environment which is critical for continued success at Kwajalein,” he said.

*Jim Wolf is a Correspondent, National Security for Reuters, Washington, D.C., and Freedom Forum Asia Reporting Fellow, University of Hawaii at Manoa.*