

Redefining the political in colonial Puerto Rico

written by Ian J. Seda-Irizarry | November 11, 2024



The struggle for life is taking new and interesting twists in Puerto Rico. The last few months have seen an escalation in the confrontation between those that want to preserve the status quo and those that wanted to explore alternative roads with the November 5th election. And contrary to what some might believe, this is not necessarily about most people's preferences changing regarding the colonial relationship with the United States. It turns out that some important elements have been mutating while others critically endure in the crisis-ridden 126 year old colony of the United States.

Give and Take

On September 24th, hundreds of Billboards flooded the capital city of San Juan delivering messages against the pro-statehood New Progressive Party (PNP) and its candidate for governor, Jennifer González. Later in the day a tweet with photos of the Billboards appeared declaring that they were "paid by Benito Antonio Martínez Ocasio", better known as internationally renowned artist *Bad Bunny*. A couple of days later, another well-known artist, René Pérez, aka *Residente*, appeared in a video interviewing and endorsing González' main rival in the November election, Juan Dalmau, who is the candidate for governor for the progressive electoral "Alliance," a coalition comprising the Puerto Rican Independence Party (PIP), to which Dalmau belongs, the Citizen's Victory Movement (MVC), and several other organized political and religious organizations.

The Alliance, which was recently endorsed by Democratic Congressmembers AOC and Nydia Velazquez, seeks to oust the decades-long stronghold of the PNP and the Popular Democratic Party (PPD) on electoral politics, political discourse, and the management of the finances of the colony. Status wise, the coalition is interested in developing bilateral and binding mechanisms for solving Puerto Rico's colonial status, in contrast with the millions of dollars continuously wasted on sterile referendums that the traditional two party system has provided so far.

But the Alliance's growing strength seems to reside in its focus on the local protagonists that facilitate and benefit from the institutional decay of the colony. This is a reflection of a growing wave of discontent with how the different government administrations of the PNP and PPD have dealt with the social crisis swallowing most Puerto Ricans. The island, which once upon a time was a celebrated story of rapid capitalist development, is suffering from a cocktail of austerity, debt-peonage, and extreme corruption. According to a recent study, 47% of households can't afford a sudden and unexpected blow of \$2,000 to their pockets, a relevant threat given the impact that the continuous power outages experiences in the island. These failures have been the order of the day since September of 2017, when hurricane Maria devastated the island, and have been more pronounced since 2021 as the production and distribution of electricity in the island were privatized.

And well, some of the *Bad Bunny* Billboards were pretty clear that “Voting for the PNP is voting for LUMA”, with LUMA Energy being the current private monopoly that was awarded the distribution and transmission contract by the PNP, under the then governor, former Secretary of Justice, and now federally investigated Wanda Vazquez, in a contractual process full of sketchy instances.

Add to the above the imposition in 2017 of a Fiscal Control Board to manage the finances of the island and pay off the debt acquired by various governmental administrations of the PNP and PPD. These are the same administrations that for decades have made Puerto Rico a tax haven for corporations and wealthy individuals in an economic system that has developed into an immense mechanism of wealth transfer and extraction. This model benefits both local and international capital while creating substantial income inequality (top 10 worldwide) and poverty (higher poverty rate than any state of the United States) for a population increasingly dependent on federal transfers (Social Security, Medicare, Reconstruction Funds, Nutritional Assistance Funds, etc). These flows of income and resources coming from the US federal government, which had been increasing for almost a decade because of hurricanes, earthquakes and Covid, are continuously mismanaged and swallowed up, even though they are supposed to provide life support to many families in an island with a reported 43% poverty rate (the US poverty rate is 12%).

This is the reality confronting the Alliance, a historical conjuncture in which both main parties have been suffering a hemorrhage of electoral votes while their once fragmented electoral opposition has been slowly gaining ground. When they ran in the 2020 election as separate parties, the PIP and MVC, the main members of the Alliance, obtained a combined 28% of the vote, while the current PNP government got 33%, the lowest percentage in its history, with its historical rival PPD obtaining 32%, with all these results following on the heels of popular protests that ousted the PNP governor in 2019.

In that same 2020 election, a current member of the Alliance, Manuel Natal, who had been supported for a long time by important worker’s organizations, almost won the mayorship of the capital city of San Juan, in what was a process marred by irregularities. Natal is running again against the incumbent Miguel Romero, who was secretary of the department of labor under then governor-and now Trump advocate for latinos- Luis Fortuño. Fortuño’s tenure saw the firing of thousands of public employees in 2009 and the passing of more tax exemption laws that cost millions to the public coffers in the midst of a fiscal crisis, with some of these laws personally benefiting Romero (57% discount for buying luxurious property managed by firms enjoying benefits of the law he helped pass). Finally, Romero was a senator who endorsed the privatization of the power utility functions and the awarding of the contract to LUMA Energy, a private firm with no experience with the provision of electricity for such a large scale operation.

Response to Threat

It is not surprising that the weakening popularity of the PNP and PPD among voters has been accompanied by a concerted response, through the rotted institutions of the State, to try and stop what is the growing momentum of discontent anchored in a deteriorating society. Part of the new openings for this growth to happen might be explained by the fact that the whole living life of many new and potential young voters was not exposed to the brainwashing of the Cold-War era when these two parties were the main contenders. Instead their life has been consumed by the two decade socio economic crisis devouring the island. Some have been able to emigrate to the U.S., a process contributing to the island’s depopulation and aging, but for many of those that stay, there is a clear catastrophic horizon. There are various arrangements in place, like the policies approved by the Fiscal Control Board, that also contribute to the chronic institutional failures and continuing increases in the costs of life (ex. electricity) that are and will be the order of the day. Many of these young citizens and potential new voters confronted the rotten institutional scaffold of their decaying

society when on September 3 a power outage interrupted the registration process of hundreds of students and citizens at the University of Puerto Rico's Rio Piedras campus.

There was also the case of thousands of citizens encountering problems with the digital platform that the State Election Commission had purchased for \$3.7million. At some point around 60,000 electoral transactions, many comprising requests by citizens to register to vote, were reported to not have been processed through what was advertised as an "efficient" digital platform. Then add to that other substantial and usual irregularities, like important delays in validating voting equipment, the use of public resources for private political campaigns, the leaking of private information, bribes, etc.

But of course institutional failure has to be given a name, especially when it turns out that thousands of dead people were still appearing in the official registry lists for voting in the upcoming election, a symptom of a recently unveiled fraud scheme uncovered by the Center for Investigative Journalism and published on September 24, the same day of the Bad Bunny billboards. According to this report, this scam, where the dead were able to cast ballots, could be traced to at least the 2016 election, when the now exiled Ricky Rossello of the PNP was elected governor of Puerto Rico in what later became a short-lived administration after historic popular protests ousted him during the summer of 2019.

For those that don't remember, Rossello's running mate in the 2016 election as resident commissioner, a non-voting position in the U.S. Congress, had been Jennifer González, who still holds that seat and, as mentioned before, is the PNP's current candidate for governor after defeating the current governor, Pedro Pierluisi, in a primary for the upcoming November election. González, a self-identified Republican and fan of Benjamin Netanyahu, had endorsed Donald Trump in the 2020 elections, and like her current running mate for the capital's majorship, Miguel Romero, she had also been a leader in the Legislative Assembly when the firing of thousands of public employees happened and when illegal debt was emitted.

Following in the footsteps of her Republican leaders in the United States, the González campaign has decided to spout Cold War and anti-communist media propaganda against the Alliance ("the communists here are threatening to take power"), by highlighting, for example, how the candidate for governor of the Alliance, Juan Dalmau, believes in independence for Puerto Rico, independence being for them the codeword for "communism" and complete isolation from the United States.

Still, the war of words is just a complement to attacks on other fronts. The problems with the State Electoral Commission mentioned above regarding dead people potentially voting, were handled by the same commission, by threatening to file a lawsuit against the Center for Investigative Journalism for not making public their sources in what is the latest episode in that commission's proactive role, in conjunction with local courts, and endorsed by local elites, to throw obstacles at the Alliance.

The enemy behind the enemy

It's also not surprising that the PNPPD dictatorship has found an important ally in the use of anti-communist and anti-independence propaganda. Our very own creole capitalist class has stepped into the stage with yet another one of its institutional incarnations, this time via a Super Pac named "Democracy is Prosperity". The influence of these "patriots" in local business affairs has usually been obscured by how politics and economics has been reduced to the eternal debates concerning the status of the island, while they have continuously found numerous ways to benefit within the colonial arrangement. Still, our modern robber barons revealed themselves when they announced

that they were forming a Super Pac that would support only those candidates for electoral positions that were explicitly pro-capitalist in their programs. These self-proclaimed free-marketeers and assiduous defenders of private property have enjoyed for decades, with their foreign transnational capital counterparts, immense amounts of preferential tax treatment that have translated into gigantic fiscal losses in a colony with no monetary sovereignty.

When it comes to labor law reform, these sworn enemies of state control consistently have asked for regulatory laxity and endorsed labor market precarity. They are the modern representatives of a long historical line that dates to the first half of the 20th century, when the organized local capitalist class decided to not contest but instead mainly attach itself to American capital via commercial and financial activities.

Add to the above the barrage of opportunities that the Commonwealth's fiscal autonomy opened up for creole capitalists in a dependent economy. This was happening in a society that had initially transitioned from being agricultural and rural to becoming industrial and urban in a much celebrated case of capitalist development via export-led industrialization in the postwar period. The yummy profit-increasing treats that the local bourgeoisie would receive would arrive via the economic policies of various PNP and PPD administrations, an arrangement that would face its first important challenge with the fiscal crisis of the 1970s, a crisis scared by the changing global circumstances that made the island's economic model outmoded. Still, that model would outlive by decades its initial announced obsolescence in the mid 1970s and confront in 2006 the beginning of a two decade long economic depression. It was here that the creole capitalists now organized themselves as the "Coalition of the Private Sector" and soon experienced the beneficial tax exemption decrees that multiplied under the administration of Luis Fortuño (2009-2013) while the government took on more debt, some of it *unconstitutional* while other portions of it were guaranteed by a regressive sales tax.

The economic crisis that started in 2006 and the debt default that came in 2017 directly affected those that earned property income in the island. Their feast would continue, but the accumulation of rents, interest and profits would slow down with the arrival of the Fiscal Control Board and its purported focus on balanced budgets and happy creditors. In this new scenario many in the creole capitalist class decided to organize themselves as "Bonistas del Patio," a group of local bondholders appealing to both the Fiscal Junta and the island's citizens for priority in the payment of the public debt, because they were the fellow Puerto Ricans "most negatively affected" in what effectively was their collaboration in the dismantlement of the public welfare. And well, here we are again, with some of them now organized as a SuperPac that has actively endorsed members of the PNP and PPD that pushed forward a variety of obstacles on the electoral road for the Alliance, from not letting the PIP and MVC formally run together, to disqualifying currently elected members in the legislature from running under an official party banner.

Conclusion

The political coordinates keep redefining themselves among an increasing number of Puerto Ricans, where it's becoming clear that legally solving the colonial situation might be a necessary but not sufficient condition for solving the immediate everyday problems suffered. It seems that many of those that do believe in statehood or preserving the colony are willing to give their votes to a pro-independence candidate, not because they suddenly support independence, but because they want the finances of the State used in more progressive ways. This road necessarily passes through the fields of the local two-party system and the imposed financial Junta, constraints that they seek to move, and which they know will require much more than a mere electoral victory.

Whatever the election outcome, we will then be able to grasp not only the pulse of the different

electoral movements, but also take a look at the relative balance of strength at a more general level in this increasingly polarized society, where reality is exploding in the streets every day. As Bad Bunny reminds in his song *Una Velita* ("A Little Candle"), Puerto Rico has the recent experience of the popular protests that ousted the governor in the summer of 2019, in great part because of the complete mismanagement of the crisis brought upon by hurricane Maria two years earlier. But those protests also included groups that might have hated that particular governor but fundamentally still supported the PNPPD Dictatorship and its coalition with the creole capitalist class. And now you also have a surging ultra-conservative party that also dances to the tune of anti-communism and is also supported by the Super Pac. These and other groups are capable of also taking the streets *en masse* to defend the *status quo* against those they accuse of being communists in an election that has been described by Jennifer Gonzalez as an "election between the left and those that believe in a relationship with the United States". For the Alliance and its leaders, who want to clean the house with regards to managing the colony to then push forward a real decolonization process, and whose electoral base, just like that of their enemies, has a multiclass constitution, the old man's words seem to be in need of an urgent reappropriation: "The proletariat of each country must, of course, first of all settle matters with its own bourgeoisie."