

# In times of humanitarian crisis: What Are Washington's Aims for Puerto Rico?

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The humanitarian crisis in Puerto Rico continues after almost two months after the hurricanes hit, while the imperialist center in Washington continues to refuse to come to the aid of its colony in anything like an adequate fashion.

The destruction of the hurricanes that hit the island in September was made much worse by the long history of imperialist exploitation, which has devastated the economy and infrastructure, especially in the last decade.

Recently Carmen Yulín Cruz, the mayor of San Juan, the colony's capital, said, "The majority of the island is still without any power. Only about 40 to 60 percent of the population has water. That doesn't mean it is good water. We still have to boil it or put chlorine in it to be able to drink it. Medical services are really, really bad because of the lack of electricity. The supplies in the supermarkets are not there yet, so people are having a lot of trouble getting the supplies that they need."

There are reports of many deaths due to the medical situation. As well, older people are dying from the lack of air conditioning due to lack of electricity in homes for the elderly.

An article in the November 14 *New York Times* reports that a result of the hurricanes and the weeks of torment following, "There are warning signs of a full-fledged mental health crisis on the island, public health officials say, with much of the population showing symptoms of post-traumatic stress disorder."

The article also says that "people who had mental health illnesses before the storm, and who have been cut off from therapy and medication, have seen their conditions deteriorate....

"Returning to a routine is the most important step toward overcoming trauma .... But for most Puerto Ricans, logistical barriers like scarce water and electricity, as well as closed schools and businesses, make that impossible."

The death total due to the hurricanes and their aftermath of inadequate aid, is unknown. Mayor Yulín Cruz cites high numbers of cremations with no explanations coming from the pro-imperialist government. We may never know the death toll.

There is lack of clarity and information in general concerning the situation throughout the island.

Some think Washington's lack of adequate aid is due to Trump's incompetence. Such thinking is shallow. Washington's actions are deliberate and calculated. This raises the question: What exactly are its aims for Puerto Rico's future? To begin to answer that it is useful to look at the situation concerning the huge \$75 billion in debt Puerto Rico owes to U.S. financial vulture capitalists, and the particular case of the island's electric power company, which is insolvent.

As a result of the Puerto Rican government's statement that it could not repay the debt, the Obama

administration in 2016 set up a U.S.-appointed financial board to oversee the colony's finances. An objective of this board is to find ways to squeeze the Puerto Rican people out of as much money as they are able to pay the vultures as much as possible.

Mayor Cruz said at the time, "They have unveiled to everyone, the international community and everyone in Puerto Rico that we are a colony of the United States.... This colonial control board will lower the minimum wage for people 25 or under to \$4.50 an hour. It could sell our natural resources...." — including by privatizing public companies and services, and using the proceeds to pay the vultures.

One major public utility already on the chopping block is the Puerto Rico Electric Power Authority (PREPA), the island's power utility. How the PREPA management operates was exemplified two years ago, when they brought in a firm that was supposed to restructure PREPA's debt. This firm was never able to get a deal with the bondholders, but PREPA paid the firm \$46 million anyway last February for 18 months' "work."

After the hurricanes hit, PREPA's management signed a secret contract with a tiny company in the state of Montana called Whitefish Energy Holdings for \$300 million to work on restoring the electrical system. This company is comprised of two people. What they do is hire subcontractors to do the work, and Whitefish's two owners skim part of the profits.

Whitefish Energy is in a small rural town of the same name, which just happens to be the hometown of Trump's Secretary of the Interior, Ryan Zinke. Zinke swears on a stack of bibles that he had absolutely nothing to do with securing this contract for his hometown buddies.

This whole procedure was unprecedented. After a catastrophic power outage utility companies call a trade organization, The American Public Power Association, which organizes a network of state and regional power utilities to restore electricity quickly.

That's what happened in Texas after hurricane Harvey and in Florida after Irma. The day after Irma's departure, Florida Power and Light said it had more than 20,000 workers from 30 states and Canada deployed to restore power. PREPA, which is a member of the Association, didn't go this route, and instead hired Whitefish.

PREPA's contract with Whitefish became public in October, and the terms created a storm of protest.

It turns out that Whitefish hired two companies to do the work, and they claimed to have only some 300 or so workers in Puerto Rico weeks after the hurricanes. Under the contract, the Washington Post reported, PREPA pays Whitefish's \$462 per hour for a supervisor and \$319.04 for a lineman, about 17 times what Puerto Rican linemen earn (\$19 per hour). Democracy Now's Juan González, who is Puerto Rican, said that this work could have been done by Puerto Rican workers, who already work for PREPA, and other workers from the United States for obviously much less.

The subcontractors pay the linemen from \$60 to \$100 an hour. Whitefish also charges PREPA nightly accommodation fees of \$332 per worker and \$80 per day for food.

The contract also states, "In no event shall PREPA, the commonwealth of Puerto Rico, FEMA [Federal Emergency Management Agency] administrator or any other authorized representatives have the right to audit or review the cost and profit elements of the labor rates specified herein."

"It's truly unnerving that people can just swindle, swindle an entire population when they are at their most vulnerable," said Yulín Cruz.

Under enormous pressure, Puerto Rico's governor, Ricardo Roselló, finally instructed PREPA to cancel the contract, but it still runs to November 30. Roselló appointed Ricardo Ramos to head PREPA early this year. Ramos is the official who signed the Whitefish contract. After the scandal broke, the governor, trying to save face, has asked the U.S. government for about \$95 billion to rebuild. Don't hold your breath waiting for Washington to do anything like this.

The power in San Juan, which had more power restored than elsewhere, but in scattered places, then had another blackout when lines set up by the Whitefish contractors failed one night.

There is another contract, with a company called Cobra, PREPA has signed for \$200 million, but not much has been made public about it.

González adds, PREPA "is bankrupt, but that doesn't mean that there's still not cash coming in [before the storm] from the rates that utility users are paying. The question is: where does the money go?"

The truth is, the PREPA management is driving the company into the ground. That's why it took the route of hiring Whitefish at these rates. The purpose is to force the privatization of the utility which is the goal of the Puerto Rican comprador bourgeoisie and its pro-imperialist politicians as well as Washington. (The city government of San Juan, including the mayor, is obviously an exception. It was elected with trade union support.)

The Fluor water company is next up on the privatization list of Washington and its local lackey's. Also education. Washington's goal, furthered by its deliberate standing aside while it watches Puerto Rico's suffering, is to privatize as much as possible of the economy.

But is that its only goal? What appears to be happening is something like what happened in New Orleans after the 2005 hurricane Katrina, when the catastrophe was utilized to drive out the poorest Blacks - one racist politician gloated, "Katrina did what we couldn't do." Then education was almost completely privatized, and the city was gentrified.

It looks like the "shock" of these hurricanes (to use Naomi Klein's terminology) that hit Puerto Rico is being utilized to drive more poor Puerto Ricans to flee to the United States, which has already begun. This plus privatization could lead to gentrification of the island, some socialist commentators believe, to accommodate the wealthy there and in the U.S.

**Barry Sheppard**

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