

Five Months after Hurricane the U.S. Still Grinds Down Puerto Rico

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Five months after Hurricane Maria devastated Puerto Rico, twenty-five percent of the U.S. colony's people are still without electricity. No state in the U.S. has ever experienced such a long blackout. Areas with power are plagued with intermittent blackouts.

Wide swaths of the island were recently plunged back into darkness after an explosion and fire at an electrical station, a result of the rickety nature of the whole electrical system.

The Puerto Rican governor asked Congress and the Trump administration for \$94 billion, and at least that amount is needed, to rebuild. He got a pledge of \$16 billion, which may or may not ever arrive.

The U.S.-appointed board that controls the colony's finances, together with the comprador government of Puerto Rico, are on a drive to privatize the island's public electrical company and the educational system.

Puerto Rico was in dire straights before the hurricane, a result of over a century of U.S. Imperialist exploitation, after the U.S. wrested the colony from Spain in the 1898 war between the two countries.

As the U.S. Supreme Court has ruled, Puerto Rico "belongs to, but is not part of" the U.S. Any law or decision made by the island's authorities can be nullified by the U.S. Congress or courts, which can also impose decisions on the colony.

For the first 50 years, U.S. companies exploited Puerto Rico mainly through vast sugar plantations. After the Second World War, U.S. businesses were set up to take advantage of cheap labor. Washington encouraged this by making the colony a tax haven for U.S. companies.

Then in 1996, Congress began to gradually do away with these tax giveaways, which were eliminated by 2005. As a result there was a big exodus of U.S. capital from the island, and a depression began in 2006 that still continues.

Instead of fighting the U.S. government for help, the pro-imperialist Puerto Rican government turned to borrowing from Wall Street. To pay off early loans, more loans and cutbacks to social services were made. A vicious circle set in, with more and more borrowing and austerity policies to meet the loans, until the colony's government declared in 2014 that it could not pay any more on its \$75 billion debt.

In response, the Obama administration established the fiscal control board as the ruler of Puerto Rico's finances in 2016.

By then the Puerto Rico Electric Power Authority (PREPA) was insolvent. As a result of using its

revenue to pay its loans to the Wall Street sharks, it allowed the system to fall into disrepair. It was so rickety that it completely collapsed when the hurricane hit in September 2016, throwing the entire island into a blackout.

What kind of management PREPA had was evident when it immediately hired a two-man business called Whitefish in a rural Montana town to rebuild the system. This business then contracted with actual (if small) electrical companies, but they sent only 300 workers who were not properly trained. They did little.

PREPA tried to hide the terms of its contract with Whitefish, going so far as to include a written clause that "In no event shall PREPA, the Commonwealth of Puerto Rico, FEMA [Federal Emergency Management Agency - which was supposed to be helping the colony] administrator or any other authorized representatives have the right to audit or review the cost and profit elements of the labor rates specified herein."

But in October, the contract was exposed as a complete rip-off, where PREPA paid exorbitant amounts for shoddy work. In the resulting scandal, the PREPA head was forced to resign.

The U.S. Army Corp of Engineers then hired more reputable electrical companies, who began the work. But as already noted, even where power has been restored, the system remains subject to breakdowns. Now these companies are being withdrawn with the work unfinished. One thousand workers left in the two weeks after February 13, and the rest will be gone by April 7 unless something is done. The Corp first projected that electricity would be largely restored to the whole island by December. That goal was then moved to February, to March, to April and now May. We'll see.

Most of those without any power at all are in rural areas. The New York Times reports "The decision to scale back was met with 'indignation' across the island, said Jorge González Otero, the mayor of Jayuya, a town in the central part of the island, where about half the residents still lack power."

According to the mayor, the power company that was in the town "said the contract was over, and they left everything half-done.

"Imagine, I have people here without power for five months who are 80 years old, disabled, bedridden, and they were just beginning to see people 50 meters away get their electricity back. They are growing desperate."

The scandal with Whitefish is not atypical. FEMA approved a \$156 million contract with a one-person U.S. company to deliver 30 million meals (more like small rations in packages to be heated in boiling water). FEMA had to cancel the contract when just 50,000 were actually delivered.

This came after FEMA gave more than \$30 million in contracts to a newly-created Florida company for tarps, to help protect the homeless and people in leaky homes damaged by the hurricane, from rain. The company failed to deliver a single tarp.

In a recent interview on Democracy Now, San Juan Mayor Carmen Yulín Cruz said, "I would like nothing more than to say 'Thank God, things are looking up.' But yesterday the secretary of the Department of Labor of the Puerto Rican government said, 'No, we haven't been able to pay [workers], because we haven't gotten the money from FEMA.' Most of the American people probably think that out of the \$4.9 billion that was approved for November and December, that we have gotten some of that money. We've gotten zero."

There is a great discrepancy concerning the number of deaths caused by Maria. The island's

governor says 64 people died. But he is counting only those known killed immediately by the storm, crushed by collapsing buildings, etc. That figure is low since after the hurricane the whole country was in electrical blackout and reporting from many areas was difficult or impossible. Yulín Cruz pointed out that even the central government said there was a jump in cremations by 500 in September over the same period a year before.

She noted in the recent interview, "It is more than a thousand people that have died, because you have to count ... the people that have died because they didn't have oxygen tanks [for certain illnesses] in their homes or because there were no oxygen tanks at the hospitals [due to the lack of electricity], and the people who have died because of the botched rebuilding effort. Others didn't have their diabetic medication. Also there was a 55 percent jump in the suicide rate since the hurricane."

Concerning the U.S. fiscal oversight board, Democracy Now co-host Juan González said that he saw on the board's web site that it had told the governor that his "plan for the water authority was not sufficient, that they wanted a 17 percent cut in costs, because the water authority is projecting a 17 percent loss in water revenues as a result of the storm.

"They also told the government that its overall financial plan was not sufficient in terms of cuts. Amazingly, they wanted the government to create a budget reserve to help pay back the debt while cutting services."

Yulín Cruz added that the governor's new financial plan "is an austerity plan. But the board rejected it, saying, 'No, we want more. We want more taxation. We want more privatization. We want less education.' The board is taking away about \$500 million from our largest public educational system, the University of Puerto Rico. The board is also taking money away from the municipalities So, the fiscal control board is here for one thing, to insure that bondholders get every single penny they can."

Two targets up for privatization in the governor's and Washington's sights are the public electric company PREMA and the kindergarten through high schools. The governor, when asked who would want to buy PREMA, replied that they would get high profits because they can charge electricity users anything they want.

The proposal is to make all the schools for-profit charter schools. This was done in New Orleans in the wake of 2005 hurricane Katrina. The Trump administration is pressing to do the same throughout the U.S. Puerto Rico will get there first, since all decisions concerning the colony can be imposed by Washington by fiat.

It is becoming more apparent that all of this is deliberate and interrelated.

What the PREMA and FEMA scandals revealed are not the results of incompetency, but of a conscious policy to crush Puerto Rico. The actions of the fiscal control board are in the same vein, using the \$75 billion debt to squeeze the people as much as they can for "every single penny." More austerity and privatization goes in the same direction. The wrecking of PREMA and the cuts to education make privatization seem a better alternative.

As Naomi Klein has demonstrated in her "The Shock Doctrine," the government is using catastrophe's to further the interests of the rich - the top one percent, and even more the wealthiest 0.1 percent and the even richer .01 percent, in what is called "disaster capitalism."

What are the objectives of both the U.S. ruling class and the comprador bourgeoisie of Puerto Rico, in imposing such cruel policies? One is to remove the poorest of the island's population, like what

happened in New Orleans after Katrina with the driving out of the poorest Blacks, and the gentrification of the city. Without going into the history of why, Puerto Ricans are U.S. citizens even while their country remains a colony, and they have the right to move to the U.S.

Already, as a result of past imperialist exploitation, five million Puerto Ricans now live in the United States, while only three million live in Puerto Rico. In the past five months, some 200,000 to 300,000 more have left for the U.S.

The likely result will be the gentrification of the colony for the benefit of the better off. The island has a tropical climate, beautiful beaches and other amenities. The rich, middle class and better paid workers, those from the island as well as the mainland, could find it a good place to live or vacation in.

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