

U.S. IMPERIALISTS ROB PUERTO RICAN WORKERS

Puerto Rico's political status is, without a doubt, the most embarrassing issue the United States has had to cope with at the United Nations.

At this day and age...in 1964, after more than 50 nations have attained their long overdue independence, Puerto Rico is still a colony. And not just a colony or any colony, but a United States colony.

The North American people conducted a successful national liberation war against the British, yet the North American government refuses to grant Puerto Rico its independence. This same government shrieks - in the most vociferous manner - about rights, freedom, liberty and the democratic process, yet it will not tolerate the thought of Puerto Rican sovereignty. The U.S. government advocates free enterprise and competition but keeps Puerto Rico under strict imperialistic economic ties (78% of all investments in P.R. are North American). The U.S. government extols economic security and the Constitution entitles its citizens to the "pursuit of happiness," yet it has created for the majority of Puerto Rican people (U.S. citizens since 1917) monstrous conditions of extreme poverty (400,000 persons), deprivation (81.7% of all families average less than \$1,367 annually) and parasitism (over 700,000 individuals exist on doles). The U.S. government allegedly favors these and many other civilized norms, yet it has savagely persecuted and imprisoned hundreds of Puerto Rican patriots for advocating the application of these same principles instead of just paying homage to the paper they are scribbled on.

Why this possessive concern? What has the tiny Island in the Caribbean to offer in return? Basically three things:

(a) Astonishing profits. Since the North American capitalist class holds a virtual monopoly over commercial traffic and absentee ownership, it extracts extraordinary profits on capital investments. Returns on investments in the U.S. ordinarily fluctuate between ten and twenty percent annually, but in P.R. a 28 percent annual average is usual, and some firms have reported incredible net profits of 60 and even 90 percent in one year.

(b) Terrain for military installations. An ominous array of Army, Navy and Air Force bases encircle the Island. Twelve huge bases and numerous smaller ones largely account for the 100,000 acres or more (13% of the total and best arable land) in the hands of the U.S. Federal government. One offshore municipality - the island of Vieques - has endured the expropriation, under eminent domain, of 26,000 acres of its total 33,000 acres for military purposes. The presence of foreboding atomic weapons on many of these installations has been widely publicized.

(c) A showcase of "enlightened" imperialism. Each year hundreds of students, representatives and dignitaries from undeveloped and underdeveloped countries come to Puerto Rico to observe its "miraculous prog-

ress" under "benign" North American imperialism.

The resulting economic miscarriage of the policies imposed on the Puerto Rican people by the Pentagon, the U.S. State Department and the North American capitalist class is discussed at some length in the article that follows. It has been taken from the June/July - 1963 issue of "Claridad," the Pro-Independence Movement's (MPI) newspaper.

TRANSLATOR'S NOTE

The unique Alliance for Progress that Puerto Rico has had under the regency of its Governor, Luis Munoz Marin, at most has created a small island of prosperity for a privileged few, surrounded by an ocean of poverty that continues to be the lot of the great majority of the people. This ocean of poverty, so obvious to the alert eye of any visitor who travels to the interior of the island, or traverses the slums of Puerto Rico, is ineptly concealed by means of statistics that achieve an average among the empty pockets of the 70,000 to 90,000 unemployed (10-15% of the labor force). Also partially hidden are the scanty wages of the overwhelming majority of the workers and the juicy profits and fabulous incomes of a leisurely few. A fictitious annual per capita income of \$565 is proudly proclaimed as an accomplishment and presented by way of an example to Latin America.

Nevertheless, even a superficial analysis of the writings of the most ardent apologists of the present regime uncovers data that explain why, after twenty years of "Operation Bootstrap" - as the Governor calls his plan of economic development - a meagre sustenance is still the critical problem for most Puerto Ricans.

The truth is that the people cannot properly feed themselves because they lack sufficient and adequate merchandise at prices within their scarce economic possibilities. The cost of living is high (as high as in the U.S.A.) and income is low (lower than that of the poorest Southern state). This situation is due, essentially, to the fact that North American imperialism exercises control over Puerto Rican affairs. External trade is almost exclusively with the U.S., on whom it depends to a large extent for imports, above all for foodstuffs (50% is imported) procured at extremely high prices. Ninety percent of all exports are sent to the U.S.

The present system of tenure and use of land in P.R. hinders the diversification of crops and the utilization of modern agricultural techniques capable of furnishing an adequate supply of food based on its own efforts.

Finally, an industrial development linked to the rapacious proclivity for profits exhibited by North American capitalists has not solved the basic problems and has been unable to reduce, even in the smallest way, chronic unemployment. This can come as a surprise to no one since the main obstacle to a real devel-

opment that would benefit the Puerto Rican people is that same insatiable thirst for earnings evidenced by Yankee capitalism throughout the world.

U.S. CONTROLS FOREIGN TRADE

Since Puerto Rico is included in the monetary system of the U.S., export and import figures are barely discernible in North American statistics but the so-called "Commonwealth" (Free Associated State) publishes some that can give us an idea of its foreign trade. We find that an average of 95% of the shipments from the Island go to the U.S., and more than 85% of its imports come from the metropolis. Imports of foodstuff and beverages add up to about a quarter of the total.

Since P.R. is an integral part of the North American economy and is not in a position to undertake an independent policy concerning its imports, almost everything is purchased in the expensive northern markets and freight is handled by North American steamship companies charging exorbitant rates.

The Island encounters disadvantages not only with respect to the prices of products of fundamental need (rice, beans etc.), but also importing numerous luxury items for the wealthy class and other articles that could very well be produced locally.

WAGES AND NOURISHMENT

Wages received in the manufacturing industries representing the best paid sector of the working population (amounting to 78,000 out of 546,000), after having increased gradually during recent years have hardly reached half the wages paid in the U.S. for similar occupations (see Table I). Wages in other sectors, particularly the 135,000 agricultural workers, offer even less favorable comparisons and seldom allow spending on anything but the most urgent requirements.

As with other matters, the available statistics reflecting the proportion of expenditure devoted to food out of the total personal consumption figures, tend to muddle rather than clarify the question. The proportion officially accepted - 41% - is unlikely since it represents an average that can scarcely portray the real situation borne by the majority of the people. A careful study done by income levels would undoubtedly demonstrate that (excepting the tiny group with high incomes) the largest portion of personal consumption expenditures is employed solely in feeding the family. Fortunately Puerto Rico's climate is such that the problems of clothing and dwelling do not exacerbate the plight of a people already weary because of income incapable of providing even a minimum level of sustenance.

Just in terms of nutrition, without considering calorific intake, the nourishment of the average Puerto Rican could be tremendously improved if he could obtain locally grown fruits, green vegetables and edible starchy tubers at reasonable prices. Even conceding that Puerto Rico's demographic density makes

it difficult to think in terms of self-sufficiency with respect to primary products, such as rice, why should it be impossible to get more variety, more vitamins, more minerals if enough quantities of farinaceous vegetables are cultivated?

AGRICULTURE PREDOMINANTLY SUGAR CANE

In 1961 more than 60% of the total sugar crop (around 1 million tons) was sold as usual to the U.S. at preferential prices in accordance with federal quota laws. It has remained, therefore, the most coveted of the revenue producing crops. The present system of land tenure has tended to perpetuate rather than change this situation.

Agrarian reform and diversification of crops were part of the campaign pledges that helped Munoz Marin receive the popular support enabling him to attain power. He also promised to put into effect a 1900 law prohibiting corporations from owning more than 500 acres of land.

During the last decade little has been done in the way of realizing the so-called "agrarian reform" and priority has been given to industrialization. Even though the Land Authority was created in 1941 to administer the "agrarian reform," by 1950 only 70,000 acres had been touched by the program that consisted of buying land from large estates (latifundium) and establishing the so-called Proportional Benefit Farms. A third of these farms reported losses instead of benefits to the recipients, which proved that the best land had been left intact.

In 1950 (last published figures) the distribution of land had undergone very little alteration. The major classification of farms were still those totaling 260 acres or more, representing 2% of the total and comprising 41% of the total surface (see Table II). Since the average spread is of 707 acres, larger extensions must undoubtedly exist.

The law that restricts the possession of land to 500 acres has been evaded in many cases by distributing land belonging to sugar cane companies among the principal executives.

On the other hand, no effort has been made towards diversifying the crops, since one of the goals of the Proportional Benefit Farms Program was avoiding any reduction in sugar cane production. Even though during World War II there was talk about the Island providing itself with a larger proportion of local foodstuff to avoid shipping from the metropolis, at the same time the demand for Puerto Rican sugar swelled and, naturally, metropolitan interests prevailed. Therefore, between 1939 and 1959 a remarkable decrease, or almost disappearance, of many crops took place, excepting sugar cane and others needed by these interests. (See Table III). By the end of this period, concentration of sugar cane production was even greater than

before.

As in everything else, innovations introduced in agriculture have chiefly benefited the privileged class of the population and North American capitalists.

Other crops that have shown substantial increases (pine-apples and oranges) are mostly for export to the metropolis (see Table IV).

An important new item in agriculture is the creation of a flourishing cattle-raising industry (beef and dairy), but its prosperity is due to products priced beyond the reach of the majority of Puerto Ricans. Consumption is not evenly distributed, most of the milk is consumed by the wealthiest sector of the urban population, except for the government-sponsored program of distributing milk among school children. The same observations can be made as regards the consumption of fresh meat (70% produced by the local cattle-raising industry). The 30 - pounds average annual consumption figure indicates an above - average consumption rate among the monied class and a substantially lower rate among the undernourished majority.

INDUSTRILIZATION AND UNEMPLOYMENT

The high unemployment rate (see Table V) as much as average low income has hindered general consumption. These were precisely the issues that "Operation Bootstrap" (advertising a \$2,000 average annual income as its aim) was created to resolve, utilizing an encompassing industrialization program. What are the results of this project? A careful study shows that they have been quite insignificant; the whole plan seems to have been built on sand. Primarily it was conceived to attract North American capital by granting income-tax exemption for a period of ten years and offe

years and offering other incentives such as cheap native labor.

Hence, in order to make good their promise of abundant colonial labor at "suitable" wages, the government has manipulated the inequity, amply demonstrated in Table I.

North American investors take no interest whatsoever in raising the standard of living of the Puerto Rican people or in reducing unemployment (which is used as a pressure factor in maintaining a meek and underpaid work force).

On the other hand, if the wage differential (between U.S. and P.R.) is diminished, it will lessen the influx of fresh capital and impair the existing capital. In the meantime, the tax-exemption period will be expiring for an increasing number of factories and it is doubtful whether they will remain. Indeed, the success of the whole program is to be seriously questioned.

In view of the eulogies about "Operation Bootstrap" and its

reiterated intentions of solving the unemployment problem providing employment at the recently established factories, it is rather surprising to find that the total amount of jobs furnished has not exceeded 50,000. If a comparison is made with the fluctuating unemployment figures that have plagued the Island for years, and with those reflecting the annual net migration to the U. S. (30,000 to 50,000), it will be ascertained that without this sad exodus unemployment would be immeasurably greater.

In conclusion, the MADE IN U.S.A. development plan for Puerto Rico has done very little in improving the standard of living and even less in providing nourishment for the masses, two-thirds of whom still live in rural areas that have experienced practically no transformation.

TABLE I
Average Hourly Wages
in Industry - U.S. & P.R.

Year	U.S.A.	P.R.
1955	\$1.86	\$0.57
1956	1.95	.64
1957	2.05	.76
1958	2.11	.83
1959	2.19	.87
1960	2.26	.92
1961	2.32	.99

Source: Monthly Statistical Bulletin, UNO

TABLE II
Agricultural Farms According to Surface
Puerto Rico - 1950

Acres	No. of Farms	% of Total	Surface in thousands of Acres	% of Total Surface
Less than 10 Acres	27,985	52.3	143.0	7.8
10-19	10,538	19.7	144.4	7.8
20-49	8,687	16.2	263.7	14.3
50-99	3,166	5.9	216.1	11.7
100-174	1,440	2.7	186.5	10.1
175-259	627	1.2	133.1	7.2
260 & over	1,072	2.0	758.3	41.1
TOTAL	53,515	100.0	1,844.8	100.0

Source: Progress in Land Reform, 1954, UNO

TABLE III - IV
Puerto Rico-
Amount Of Surface Devoted to Principal Crops (in acres)

Crop	1939	1959	%increase(+) or decrease(-)
Sugar Cane	229,750	320,919	+39.6
Coffee	181,106	182,392	+00.7
Tobacco	28,584	17,309	-39.4
Corn	59,350	15,875	-73.2
Beans(Frijoles)	48,363	5,888	-87.8
Peas	34,301	11,526	-66.3
Rice	13,753	575	-95.8
Sweet Potato	49,565	8,012	-83.8
Yautias	22,080	8,679	-60.6
Plantain	16,775	15,705	-06.3
Bananas	47,114	34,348	-27.0
Oranges	-	-	
Grapefruits	-	-	
Pineapples	1,912	4,026	+110.5
Coconuts	-	-	
Cotton	3,381	411	-87.8

Source: Statistical Abstract of the United States, 1960-61.

Puerto Rico-Production of Principal Crops (in thousands)

Crop	1939	1959	Unit	%increase(+) or decrease(-)
Sugar Cane	723.8	1,017.5	Tons	+ 41
Coffee	32,652	29,000	Pounds	- 11
Tobacco	19,885	19,419	"	- 2
Corn	36,811	12,757	"	- 65
Beans	19,249	2,727	"	- 86
Peas	15,722	7,576	"	- 52
Rice	7,915	361	"	- 95
Sweet Potato	103,160	15,907	"	- 85
Sweet Potato	42,707	18,793	"	- 66
Plantain	6,166	6,818	Bunches	+ 11
Bananas	16,014	13,866	Bunches	- 13
Oranges	116,274	159,434	Each	+ 37
Grapefruits	24,830	12,507	"	- 50
Pineapples	12	42	Tons	+250
Coconuts	21,776	23,410	Each	+ 8
Cotton	1,637	295	Pounds	- 82

Source: Statistical Abstract of the United States, 1960 and 1961.

TABLE V

Employment and Unemployment in Puerto Rico (in thousands) for
1952-1958

Year	Labor Force	Employed	Unemployed	% Unem- ployed
1952	659	559	100	15
1953	634	543	91	14
1954	631	534	97	15
1955	642	550	92	14
1956	640	557	83	13
1957	631	550	82	13
1958	629	550	89	14

Source: Unemployment, Family Income and Standard of Living in
Commonwealth of Puerto Rico, November, 1959.

SUMMARY

Even though the Net Income of Puerto Rico increased	from \$ 614 million in 1950 to \$ 1311 million in 1960
And even though agriculture's participation in the net income decreased	from 24% in 1950 to 14% in 1960
While industrial participation increased	from 15% in 1950 to 25% in 1960
Unemployment having reached	88 thousand persons in 1950
Still amounted to	82 thousand in 1960
And was not greater because	from 30 thousand to 50 thousand Puerto Ricans
Migrate (net migration) to the USA every year, diminishing the labor force	from 686 thousand in 1950 to 625 thousand in 1960
Personel income per capital in 1960 (\$565) had not reached even half that of Mississippi (\$1,162), the poorest southern state in the United States.	