PUERTO RICO: COLONIALISM REVISITED

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PUERTO RICO: THE SEARCH FOR A NATIONAL POLICY. Edited by RICHARD J. BLOOMFIELD. (Boulder: Westview Press, 1985. Pp. 210. $22.00.)
PUERTO RICO: A COLONIAL EXPERIMENT. By RAYMOND CARR. (New York: Vintage Books and New York University Press, 1984. Pp. 384. $25.00 cloth, $9.95 paper.)
PUERTO RICO: EQUALITY AND FREEDOM AT ISSUE. By JUAN MANUEL GARCIA PASSALACQUA. (New York: Praeger Publishers, 1984. Pp. 188. $25.95.)
TIME FOR DECISION: THE UNITED STATES AND PUERTO RICO. Edited by JORGE HEINE. (Lanham, Md.: North-South Publishing, 1983. Pp. 300. $19.95.)

Relations between Puerto Rico and the United States are seriously strained. This situation has been obvious to Puerto Rican political elites since at least the mid-1970s. What is new is that the strain is being acknowledged by major U.S. research institutes and foundations determined to place the issue on the national political agenda. Three of the four books under review here came about as efforts by mainland think tanks to promote informed discussion among Washington policymakers and the American public on the issue of U.S.–Puerto Rican ties. The present questioning of the island's status is due, in large part, to the continuing economic difficulties facing Puerto Rico since 1973–74. The "industrialization by invitation model," which in its early years was known as Operation Bootstrap, brought U.S. firms to the island through a combination of incentives—notably, exemption from federal and local taxes, low wages, and duty-free entry of goods into the mainland market. This industrialization strategy provided the island with high growth rates for over two decades, making Puerto Rico one of the postwar world's first "economic miracles."

The juridical complement to the industrialization by invitation model was the granting of local autonomy via commonwealth status in 1952. Commonwealth status allowed all U.S.–Puerto Rican economic ties to remain in place, yet it answered calls from the United Nations for

decolonization. The UN therefore removed Puerto Rico from its list of non-self-governing territories in 1953, rendering any future modifications of Puerto Rico's status a U.S. domestic issue.

Since the mid-seventies, however, the political-economic model operating in Puerto Rico has not served well. Since 1973–74, island growth rates have ranged from negative to unimpressive. As a direct consequence, Puerto Ricans during the past decade have experienced new highs in unemployment and social stress (as shown in rates of substance abuse, suicide, and other similar indicators), along with a "brain drain" from the island to the mainland.[1] In addition, numerous analysts have documented the crucial role of federal funds in the island economy, particularly as the growth rate slowed.[2] Net federal transfers to Puerto Rico now make up roughly 40 percent of GNP and are the glue that has kept the island economy from coming completely apart.

The serious flaws in the Puerto Rican political economy in recent years have forced Washington to direct slightly more attention to its Caribbean possession. First, the flow of funds to the island as grants-in-aid to municipal governments, transfers to individuals (especially food stamps), and "revenue lost" by the U.S. Treasury from tax-exempt corporations on the island, while a small portion of the federal deficit, has not escaped the notice of congressional budget cutters and tax reformers. Washington officials have made changes in policy crucial to Puerto Rico's economic health in all of the above areas, while island officials, because they lack votes in Congress, have been reduced to mere lobbyists for their cause.

Because Puerto Rico is not systematically consulted on issues central to its development and because this situation has become so obvious to all island officials during the last decade, elites across the entire Puerto Rican political spectrum felt pressured to "come out of the colonial closet," tentatively in August 1977 and forthrightly in 1978.[3] Every summer since, spokespersons from all political parties have gone before the UN Decolonization Committee to protest the status quo in Puerto Rico. Before 1977, only Puerto Rican Independentistas (who win only a small percentage in island elections), Cuba, and the Soviet Union had labeled Puerto Rico's status as "colonial," a situation that allowed the United States to dismiss charges of "imperialism" as either insignificant or Eastern bloc propaganda. Furthermore, Washington continued to maintain that any change in Puerto Rico's status was a domestic issue. As this position has become more diplomatically costly at the UN and Puerto Rico has been increasingly perceived as economically costly by many U.S. policymakers, circumstances have ripened for the U.S. government to rethink its ties with the island. The four books reviewed here were written to urge official Washington to develop a coherent policy on on its colonial possession.

Raymond Carr's study was perhaps the most eagerly awaited, and his *Puerto Rico: A Colonial Experiment* has proved to be the most controversial. A noted Oxford historian, Carr was commissioned by the Twentieth Century Fund to study the U.S.–Puerto Rican relationship precisely because he was neither Puerto Rican nor American and had not worked on Puerto Rico before. The director of the Twentieth Century Fund explained that it would have been exceptionally difficult to find a Puerto Rican or American scholar without preconceptions about what the U.S.–Puerto Rican relation ought to be (p. viii).

In many respects, Carr's study is impressive. He has synthesized an enormous amount of material in his incisive analysis of Puerto Rican society from 1898 to the present. For example, he notes that the island's economic problems are due more to events in the international economy than to its particular relation to the United States: "Economic issues are never seen, as perhaps they should be, as independent from status choices that may be based on noneconomic considerations: dignity and an escape from a colonial relationship with the United States [or] the preservation of a separate cultural identity" (p. 3). While this perspective may seem obvious, it is typically absent from analyses of Puerto Rican reality.

Most important is Carr's contention that Puerto Rico has been a colony throughout the twentieth century and remains one today. In discussing U.S.–Puerto Rican relations in the early part of this century, he notes, "what distinguishes American colonialism is that Congress refused to acknowledge it possessed a colony" (p. 44). It was easier for Congress to define Puerto Rico as an "unincorporated territory" because colonies do not mesh well with America's liberal, anticolonial political foundations. Until the end of World War II, the designation was a useful rhetorical escape for uneasy Congressional consciences. But the conflict between America's "liberal tradition" and the reality of its Caribbean colony became acute at the end of the war because the United States was publicly committed to the UN goals of decolonization and self-determination. Analyzing the United States' peculiar decolonization process, Carr maintains that the right to elect a Puerto Rican governor, granted by Congress in 1948, was more significant than the founding of the Commonwealth of Puerto Rico in 1952. He describes commonwealth status as "a brilliant performance in psychopolitics conducted by a master politician [Muñoz Marín]" (p. 80). Yet most thinking Puerto Ricans remained more or less content with this political framework for at least two decades.

To support his claim of colonialism, Carr details policy conflicts on key development issues between Washington and San Juan, a situation that theoretically should not exist because the island is internally self-governing. The policy conflicts examined include potential changes

in Section 936 of the Internal Revenue Code granting the island tax-exempt status (probably the most important issue in U.S.–Puerto Rican relations), changes in the food-stamp program, and the role of Puerto Rico in the Caribbean Basin Initiative.

If the island is a colony, what are the interests of the United States in maintaining it as such? Carr devotes a chapter to the subject of U.S. interests. Calling the United States a "reluctant imperialist" (p. 305), he notes that the most vocal advocate in Washington of the status quo is the U.S. Navy. Commonwealth status is especially convenient for the navy's $1.5 billion capital investment in Puerto Rico. The navy can operate bases under the protection of the U.S. flag without being troubled by the concerns of a sovereign nation or by critics in Congress who might be called on by constituents angry about disruptions from target practice or war games.

While strategic concerns have always been Washington's primary interest in Puerto Rico, economic benefits have also accrued to certain sectors of the U.S. business community over the past eight decades. In the early part of the century, U.S. sugar interests dominated the island economy; in the postwar period, Puerto Rican labor provided impressive profits first for garment and shoe manufacturers and later for petrochemical, pharmaceutical, and electronics firms. Yet Carr essentially skirts the issue of U.S. economic gain from the colony, a striking flaw in his analysis. But for many in Washington, the colony now may well be costing more than it is worth to either the private or public sector.[4]

In addition to presenting a limited account of U.S. interests in Puerto Rico, Carr's study suffers from other flaws. He is not afraid to point up what is wrong in Puerto Rican society, but his tone is often barbed. The resulting portrait of Puerto Ricans is at times insensitive and ethnocentric. One critic charged that the negative stereotyping was reminiscent of Oscar Lewis's *La Vida*.[5] Also troubling is much of his discussion of Puerto Rican Independentistas. Carr often characterizes present-day independence supporters as "paranoid" (p. 289), yet he never mentions COINTELPRO, the FBI undercover campaign against Puerto Rican independence supporters in the 1960s and early 1970s, an operation that might well have contributed to an ongoing sense of paranoia.[6]

Perhaps Carr's sometimes troubling tone derives from his dispassionate and relatively brief connection with the island. Nevertheless, the study is important precisely because of its author, its sponsor, and its conclusions: a foreign historian of note, writing for a distinguished American foundation, has concluded that Puerto Rico is a colony. Carr urges an end to Washington's "policy" of "selective inattention" (p. 12) and calls for the beginning of a coherent policy process aimed at decolonization. While all the books under review come to the same conclu-

sion, Carr's work may carry the most weight because of its author's stature as a scholar.

Jorge Heine's edited volume, *A Time for Decision: The United States and Puerto Rico*, resulted from the Woodrow Wilson Center's concern about the debate over Puerto Rico's unresolved status. Heine's introductory essay on the political economy of the commonwealth makes a balanced presentation of the issues, and his concluding bibliographic essay will direct researchers to the major works in the field. The remaining essays in this volume cover political parties and participation, the union movement, critiques of the economic model, and the politics of U.S.–Puerto Rican relations; and they are generally good enough to upgrade the overall quality of social science analysis of Puerto Rico.

Most striking about this volume and all those under review is the uniformity of the criticism of the island's political status and economic model. Robert Anderson, specifically criticizing the political dimensions of the Muñoz-PDP model, writes that "far from having administered a revolution, the [populist] PDP backed away from it" (p. 4). Democracy in Puerto Rico is no longer part of a showcase; rather, "it is a mass phenomenon with important ritualistic overtones" (p. 16). While the praise that Muñoz and his administration received for at least two decades has been excessive, perhaps the pendulum has swung too far and a more balanced view of the period still needs to be written.

This observation is not meant to minimize the very real problems plaguing Puerto Rico. The serious failings of the island economy are also examined in *A Time for Decision*. A well-known article by Jose Villamil, "Puerto Rico and the Limits of Dependent Growth," is reprinted here and provides a useful overview of the island's economic ills, even if one questions the author's use of a dependency framework in the Puerto Rican case.[7] Other economists contribute chapters with specific policy prescriptions to foster growth and development. Elías Gutiérrez stresses Puerto Rico's need to generate internal savings to avoid becoming "a tropical South Bronx" (p. 126); and Richard Weisskoff calls for reviving the island's weak agricultural sector to decrease the island's reliance on food stamps, with the eventual goal being self-sufficiency in food production.

The final section of the Heine collection examines specific issues in U.S.–Puerto Rican relations more explicitly than do the last two books under review, Juan Manuel García Passalacqua's *Puerto Rico: Equality and Freedom at Issue* and Richard Bloomfield's edited volume, *Puerto Rico: The Search for a National Policy*. García Passalacqua has extensive firsthand knowledge of U.S.–Puerto Rican ties, having served as an aide to Governors Muñoz Marín and Sánchez Vilella and as an advisor on Hispanic issues to the Carter presidential campaign. Decolonization has become something of a mission for García Passalacqua, who spends

much of his time writing and speaking on this issue in a variety of forums. (For example, in addition to writing *Equality and Freedom at Issue*, he also contributed chapters to the Heine and Bloomfield collections.) His book provides a solid introduction to Puerto Rico and U.S.–Puerto Rican relations, making it useful as a classroom text. Of special significance is García Passalacqua's former close association with the PDP project but his current rejection of commonwealth status, at least as it is structured at present, and he calls upon the U.S. Congress to act. He particularly advocates Washington's adopting the "alternative futures" policy that he helped formulate during the Carter administration. "Alternative futures" implies that the U.S. president would support all possible island statuses as legitimate and would not lobby for a personal preference. This approach would contrast with the policies of Presidents Ford and Reagan, who publicly supported statehood.

According to García Passalacqua's premise, the main barrier to resolving the colonial issue is the problem that the island elite, the island masses, and "the metropolis" operate under different interests and assumptions, thus preventing a common conception and resolution of the U.S.–Puerto Rican dilemma. In short, the elite want a political status that will assure *dignidad*; the masses seek economic survival; and the metropolis resists perceiving itself as a colonizer because to do so would result in a difficult national debate and, in some quarters, a perceived threat to the national interest (p. 5).

The Bloomfield volume focuses most explicitly on U.S.–Puerto Rican relations. A former foreign service officer and ambassador, Richard Bloomfield emphasizes Washington's responsibility to act on Puerto Rico because the island lacks voting representatives in Congress and hence is severely handicapped in making its case in the national political arena. *Puerto Rico: The Search for National Identity* is unique among the four in that its authors have been participants in the policy process rather than scholars. This orientation provides a feel for the key conflicts between Washington and San Juan in several policy areas affecting Puerto Rico's political and economic future.

The section on economic policy conflicts supports the Carr findings in showing clearly that Puerto Rico has little to say on matters relating to its urgent development needs. Puerto Rico simply lacks the tools to influence the legislative process at the federal level. Until the U.S. Congress acknowledges this dilemma and its responsibility to decolonize, islanders will continue to view themselves as "powerless American citizens being treated unfairly by Washington," and Congress may perceive islanders as "ungrateful wards" (p. 88).

The international dimension of the status debate is discussed in a stimulating contribution by Robert Pastor, a National Security Council staff member during the Carter presidency. He provides an excellent

history of the decolonization debate at the UN, including the 1978 appearance of Puerto Rico's leading politicians to complain of "colonial vestiges." Pastor argues for a change in U.S. policy in two areas: allowing the UN to have jurisdiction over the island's status debate and accepting a process of "mutual determination" for resolving the issue, with representatives from both the United States and the island. This change would contradict the U.S. position (since 1953) that Puerto Ricans alone must decide.

Pastor maintains, as do virtually all of the other authors, that Puerto Ricans cannot make decisions on status in a vacuum. Congress must offer specific details on what it would accept for each status choice. For example, could Puerto Rico enter the union as a Spanish-speaking state? Under "culminated" commonwealth status, could the island government establish its own tariffs and control immigration? Finally, would an independent Puerto Rico receive funds from the United States for at least ten years to give island officials time to restructure the economy? Islanders cannot determine their own future without these kinds of guidelines.

The four books considered here make useful contributions to the policy-relevant literature on Puerto Rico and U.S.–Puerto Rican relations. The authors have succeeded in presenting their discussions without repeating the endless debate on the merits of a particular status—except for those explicitly writing on behalf of a Puerto Rican political party. The studies also underscore Washington's need to end more than eight decades of colonialism in Puerto Rico, even though it has been to some extent colonialism by consent. Several authors call for an institutional mechanism that would coordinate federal decisions on Puerto Rico and aid Congress in assessing what it would grant in each status package.

Washington is unlikely to address the issue of colonialism simply because it is the responsible thing to do. Nor will island politicians be able to shelve the status issue, as Muñoz did after 1940, to focus totally on economic development.[8] The most compelling argument for legislative action on Puerto Rico is that it is in the national interest to oversee an orderly decolonization process.[9] The four volumes reviewed here offer insights and practical recommendations for designing this overdue policy.

NOTES

1. See, for example, Frank Bonilla and Ricardo Campos, "A Wealth of Poor: Puerto Ricans in the New Economic Order," *Daedalus* 60 (Spring 1981):133–76.
2. U.S. Department of Commerce, *Economic Study of Puerto Rico* 1 (Washington, D.C.: U.S. Government Printing Office, 1979), 13–18.
3. See José A. Cabranes, "Puerto Rico: Out of the Colonial Closet," *Foreign Policy* 33 (Winter 1978–79):66–91.

4. Apparently, this point was made to President Carter by the Commerce Department after its 1979 study. García Passalacqua provides documentation in *Equality and Freedom*, 160–61.
5. Angelo Falcón, "An Attack on Puerto Rican Society," *San Juan Star*, 16 Sept. 1984. The Lewis study to which Falcón refers is *La Vida: A Puerto Rican Family in the Culture of Poverty, San Juan and New York* (New York: Random House, 1966).
6. On federal harrassment of Independentistas, see Carmen Gautier Mayoral and Teresa Blanco Stahl, "COINTELPRO e Puerto Rico, 1960–1971," *Pensamento Crítico* (Summer 1979); the article was also reprinted in the *San Juan Star*, 29 Jan. 1980.
7. Several progressive analysts of Puerto Rico have challenged the use of a dependency framework in the case of Puerto Rico. The History Task Force of the Centro de Estudios Puertorriqueños suggests that commonwealth status "fused" Puerto Rico's economy with the United States so that the island economy could no longer be described in terms of "a foreign presence, penetration, control, or dependence." This point is made in *Labor Migration under Capitalism*, by the History Task Force (New York: Monthly Review Press, 1979), 129. A second typical critique of a dependency approach to Puerto Rico is offered by Emilio Pantojas García, who argues that Villamil's focus on dependency ignores the more important issue of class relations. See "Reflexiones críticas en torno al uso del concepto de dependencia como categoría explicativa en el análisis del proceso de desarrollo en Puerto Rico," *Hómines* (Río Piedras) 6 (July 1982–Jan. 1983):1–14.
8. Randolph Mye, Deputy Staff Director for the U.S. Commerce Department's 1979 report on Puerto Rico (the Kreps Report), suggested that island politicians call a moratorium on the status debate until Puerto Rico regains its economic health. See his chapter in Bloomfield, *Puerto Rico: The Search for a National Policy*, 85–93.
9. On Puerto Rico's status as a matter of national interest, see Alfred Stepan, "The U.S. and Latin America: Vital Interests and Instruments of Power," *Foreign Affairs* 58, no. 3 (1980). The section of the article on Puerto Rico is reprinted in Heine, *Time for Decision*, 267–74.