Opinion



by Michael Sean Winters

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It has been a long time since I have seen a news story about the situation in Puerto Rico. It was sometime before the Stormy Daniels story broke, and Stormy makes for better headlines apparently than the after effects of Hurricane Maria. And the process Congress set up in 2016 to cope with and resolve the underlying economic crisis in the territory remains unfulfilled.

When you do see a story, such as this one about a revised fiscal plan proposed by Gov. Pedro Rosello, it is hard to know whether or not it merely reflects the concentrated effort to shape the narrative being made by U.S.-based investors. One gets the sense that the political urgency for dealing with the debt crisis has lessened even though the hurricanes worsened the already fragile economy on the island in catastrophic ways. In part, this loss of urgency stems from the uptick in economic activity that is a result of the rebuilding effort, but that uptick will not last and the underlying economic realities remain grim.

A report by the Rhodium Group issued earlier this month stated that the blackout caused by Maria is the largest in U.S. history and the second largest in the history of the world. There are still approximately 100,000 people who lack power six months

after the storm swept through. Here in Connecticut, we lost power for 36 hours during a winter storm, and I thought I would climb the walls!

Additionally, people who have had their power restored will still lose it on occasion, even in the San Juan metro area. A friend called just before Holy Week to discuss a story she heard on the radio. "We haven't had cable or internet for a week," she said casually. I sent an email to the Archbishop Roberto Gonzalez of San Juan, whom I wanted to interview for this column, and did not hear back for a few days: He had lost power. These intermittent losses of power or internet service make the conduct of normal business very difficult, to say nothing of how it frays the nerves. This report in The Washington Post captures some of that anxiety.

Beyond the challenges inflicted by the hurricane, the fiscal crisis has only worsened. "Early last year, Puerto Rico's oversight board and governor authorized a fiscal plan with high debt payment cuts and austerity measures," Eric LeCompte, executive director of JubileeUSA told NCR. JubileeUSA has been very active monitoring the debt crisis negotiations. "When the hurricanes hit, the oversight board eliminated the previous plan to make room for a new plan that took into account the storm devastation. As we were working on a new fiscal plan early this year, there were some serious improvements, including a complete stop on debt payments." For a variety of reasons, Puerto Rico's public debt soared in the past 10 years as economic activity on the island never rebounded from the 2008 recession and the phasing out of special tax breaks for manufacturing on the island in 2006.

"Unfortunately, the governor's most recent plan looks largely similar to the plan before the hurricanes and doesn't stop debt payments or take into account the magnitude of hurricane damage," says LeCompte. "In the next few weeks, the oversight board will likely certify a new fiscal plan and we need to be sure that a new plan stops all debt payments for at least five years, supports a high total principle cut of the debt, lessens austerity and has specific measures to only pay debt in the future if we see sustained economic growth and child poverty reduction."

LeCompte is also worried that Congress may not authorize the reconstruction money the island needs. "Puerto Rico can't succeed if Congress does not authorize the remaining recovery funds the island needs," he told me. "We continue to work with congressional leadership to get the remaining installments of relief aid over the coming months." A recent investigation by Politico showed how the Trump

administration heavily favored reconstruction efforts in Houston over those in Puerto Rico, even though the devastation caused by Maria was much worse than what Hurricane Harvey brought to Texas.

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Most frustratingly, to my mind, is the fact that apart from a few small projects, no one is really linking the recovery effort from the hurricane to a long-term economic development program. There is an obvious place to start: The power grid. Puerto Rico is not the Bahamas. Running east to west down the center of the island is a large mountain chain. The electrical grid brings the electricity generated by diesel in the south across the mountains to the population centers on the north coast. Puerto Ricans pay north of 40 cents per kilowatt hour for their electricity while most people in the States pay between 16 and 21 cents. Puerto Rico gets about 1 percent of its power from sustainable sources, even though there are ample solar and wind resources. If we had an administration in either Washington or San Juan that was on the ball, they would be looking to eliminate the island-wide grid and replace it with local infrastructure based on solar and wind power.

A team of engineers from the Massachusetts Institute of Technology installed a solar-powered water purification system at the Boys and Girls Club in Loíza, a poor town east of San Juan. They are now working with the archbishop to install more such systems in the San Juan area. The Casa Pueblo organization in the mountain town of Adjuntas is working on some sustainable energy projects, among other wonderful work they do. But these are small efforts, and in the wake of the kind of devastation — economic and environmental — that Puerto Rico has sustained, more is needed.

Instead of a bold, visionary effort to make Puerto Rico a model for sustainable energy, the island is now the object of predatory "disaster capitalism" as Naomi Klein discussed in this video for The Intercept.

The resilience of the people of Puerto Rico shines through whenever I speak with my friends on the island. But they are worried. Many people continue to move to the mainland in search of work opportunities, especially the professional classes. The governor appears only too willing to bow to the demands of the creditors, even when the fiscal control board seems eager to write off a significant percentage of the

government's debt. And Washington is fixated on the "forest fire" that is the Trump administration, to borrow a phrase from James Comey. Meanwhile, the people, especially the poor, suffer unnecessarily.

[Michael Sean Winters covers the nexus of religion and politics for NCR.]

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