

NAOMI KLEIN'S *THE BATTLE FOR PARADISE: PUERTO RICO TAKES ON THE DISASTER CAPITALISTS*

[Received October 31st 2018; accepted January 4th 2019 – DOI: 10.21463/shima.13.1.13]

Valérie Vézina

Kwantlen Polytechnic University <valerie.vezina@kpu.ca>

Building on her previous work on disaster capitalism and the shock doctrine, Naomi Klein's latest (2018) essay analyses the disaster that ensued on the islands of Puerto Rico after Hurricane Maria hit on September 20th 2017. The essay (my Puerto Rican colleagues like to call it a *librito* - a 'little book') is 80 pages long and is 16 cm x 11.5cm in size. It is easy to read and gives an overall picture of the challenges faced by Puerto Rico due to the recent natural disaster and the forces that existed prior to Maria. Unfortunately, due to its limited length and its appeal to a broad target audience, Klein only provides glimpses of the economic and political situation of Puerto Rico. One can only really understand Puerto Rico's plight by considering those forces that have existed since the Spanish-American War of 1898 that made Puerto Rico a *de facto* colony of the United States (after 400 years of Spanish rule); a process of double-colonisation that has undeniably affected the psyche of the people of Puerto Rico.

After a week (!) spent travelling across Puerto Rico, Klein tries to offer a portrait of grassroots initiatives taking place at the same time as some rich Puerto Ricans are trying to implement their vision of a future for Puerto Rico based on crypto-currency. Klein explains how the governor of Puerto Rico, who favours statehood, and other members of his government have created a vision of Puerto Rico as a blank slate where innovators ("job creators"), can come to the territory and create a neo-liberal paradise for investors. But this "paradise" would, in all likelihood, be a hell for Puerto Ricans. One of the immediate outcomes would be an increasing depopulation of Puerto Rico with wealthy investors contributing to the gentrification, not of a neighbourhood but of the entire nation. Laws that provide generous tax benefits to wealthy people who move to the territory and invest have created a growing population of what Klein calls 'Puertopians' who are involved in transforming Puerto Rico into an investor's paradise.

Klein first describes the work of Casa Pueblo, which was initially one of the only organisations in the central mountains with access to electricity after Hurricane Maria because of its solar powered panels. Its radio station was also the only source of information for many in the territory in the immediate post-disaster period. This organisation is led by a group of engineers and scientists who decades ago were in the forefront of a national social movement to stop the open-cast mining of copper and other minerals located in the main island's central highlands. Recently it has managed thousands of acres of forests and provided training and education to youth. Because of colonial policies that limit its ability to

protect its industries and agriculture, Puerto Rico imports 80% of all food and goods consumed by its population. In the last few decades, bodies such as Organización Boricúa de Agricultura Ecológica and individuals have begun to buy land and set up sustainable farms using traditional cultivation methods. After the hurricane, tubers like yam, sweet potato, taro grown in these disparate agricultural patches (or 'islands') were the only crops that were not uprooted by the storm impact. The isolated agricultural producers have recently begun to network and have created a movement – known as JunteGente – that together with other community organisations is beginning to re-imagine Puerto Rico from the ground up. This movement provides an alternative vision of Puerto Rico as self-sustaining. Coincidentally, this organisation met during Klein's short visit but, interestingly, there have been few meetings since. This is not to dismiss the power of the grassroots movement, and the power of community which, as Klein truthfully showed, has been the only source of comfort in many rural areas, providing communal meals when federal aid was not forthcoming or was otherwise inadequate (Klein reminds us that “FEMA's now notorious boxes [were] filled with Skittles, processed meats, and Cheez-it crackers” [2018: 37]). Financial and political support from the diasporic Puerto Ricans is also significant. Hundreds of Puerto Ricans have raised funds, volunteered to go to work in Puerto Rico and/or shipped their own aid kits to family, friends and villages. This diaspora is only getting bigger, since it is estimated that between 200,000 and 400,000 (the higher number seeming more likely) have fled to the USA since Maria (Pérez, 2018). In some sense the diaspora is providing its own voice for Puerto Ricans.

To fully appreciate Klein's work, it is important to provide some information about Puerto Rico's political status. In that regard, the work of Jorge Duany (2017), Emilio Pantojas-Garcia (2015) and Francisco A. Scarano (2000), among others, give respectively more detailed analysis of political, economic and historical and the following points are key to understanding Puerto Rico's present situation. Puerto Rico is a US territory but it is not a constituent member of the US federation. Rather, it belongs to it, and is therefore subject to the plenary powers of the United States Congress. At the turn of the 20th Century, not knowing what to do with newly acquired territories from the Spanish-American war (Puerto Rico, among others, was given to the USA as compensation for costs incurred by the War), the Supreme Court made a distinction between “incorporated” and “unincorporated” territories. Puerto Rico was deemed an unincorporated territory of the United States, which meant that not all provisions of the United States constitution automatically applied to territory (Rivera-Ramos, 2013). At the same time, the Court specified that Puerto Rico was an “organized” territory of the United States insofar as it featured executive, legislative and judicial branches making up a government for it. A second specification, grounded in the Territorial Clause of the United States constitution (Article IV, section 3, clause 2), was that Puerto Rico was subject to the “plenary power” of the United States Congress (Lawson and Sloane, 2009: 1127, 1131). These powers, the court said, were not arbitrary and unlimited since Puerto Ricans living under the authority of the United States, did enjoy some “fundamental rights” (Rivera-Ramos, 2013: 96). The third specification was that Puerto Ricans were not “aliens” with regard to the United States. In 1917, the Jones Act – passed by the United States Congress – conferred American citizenship to residents of Puerto Rico, while still leaving them foreign in a domestic sense. Through the Jones Act, Puerto Ricans were given American citizenship (and, therefore, the potential capacity to move to the mainland and immediately become “equal” to continental U.S. citizens when they did). The status of Puerto Rico was finalised after the Second World War. In 1950, Congress' Public Law 600 authorised Puerto Rico to adopt its own constitution. In 1952, Puerto Rico's *Estado Libre Asociado* (ELA) or Commonwealth in English was formally established after approval by the population in a referendum and by the United States Congress. Ever since, this status has prevailed. In a nutshell, the ELA status means that residents of Puerto Rico hold US citizenship, serve in the

military, are represented in the House of Representatives by a Resident Commissioner - elected to a four-year term - who does not have privileges to vote on the floor of the House (and this representation is hence voiceless), are subject to federal laws and are beneficiaries of federal aid as approved by Congress, do not vote in national/presidential elections, and pay no federal income tax. The relationship between Puerto Rico and the United States is hence fundamentally colonial (Lecours and Vézina, 2017; Vézina, 2018), although the referendum on ELA, because it was approved by a majority of the population, allowed the United States to have the territory removed from the United Nations list of non-autonomous territories. This historical and political information is not provided by Klein. While she does mention the economic situation that Maria made worse, we can combine her insights with the following information to better grasp what is at play.

When the USA won the Spanish-American War, they were left with Puerto Rico and could decide to do whatever with it; which they did - from chemical and military tests on the Island of Vieques to massive sterilization of women (issues that Klein does mention). In the 1950s and onwards, an industrialisation process, called Operation Bootstrap, started and led to mass-agricultural and industrial production. This Operation was also accompanied by tax relief for American businesses establishing themselves in Puerto Rico under a scheme known as Section 936. However, in 1995, Congress announced the phasing out of the scheme over the following decade, resulting in a wave of industrial closures and increased unemployment. The tax base was constrained and the government decided to use the bond market to sustain medical services, law enforcement, education etc. However, in 2016, the Puerto Rico Oversight, Management, and Economic Stability Act, known as PROMESA (which ironically means promise in Spanish) was created in order to put Puerto Rico back on its feet. This involved a series of austerity measures chosen by a board appointed by Congress that comprised mostly non-Puerto Ricans. The Board has the authority to supersede local law and has the mandate to restructure public debt, oversee the development of a long-term fiscal plan, and approve balanced budgets consistent with the approved plan. The Commonwealth it oversees pays for its multimillion-dollar annual budget.

There are significant tradeoffs and contradictions embedded in PROMESA that render it inadequate as a policy framework capable of stabilising Puerto Rico's economy at the same time as it sets back a century of U.S-Puerto Rico political relations. PROMESA installed what is - in all practical senses - a colonial junta that controls the territory's finances. The Oversight Board strips away any resemblance of an autonomous local decision-making. As many critics have pointed out, PROMESA did not allocate federal resources to stabilise the territory's economy, deal with the impending health crisis, or provide a clear mechanism for developing a comprehensive plan for job creation and economic development. Despite the imposition of austerity measures and major cuts in the public sector well before Maria hit in September 2017, Puerto Rico was already navigating the biggest bankruptcy in U.S. government history, at a whopping \$120 billion in combined bond and pension debt. This situation was made possible through US policies towards the territory but also by decades of dysfunction, mismanagement and corruption at the local level. Since Maria, the measures have continued and led to the closing of hundreds of schools, pension cuts and reduction of public services, including the publicly owned electric company. This "shock therapy" - as characterised by Klein - is alive and well in Puerto Rico. Indeed, when her previous book, entitled *The Shock Doctrine: The Rise of Disaster Capitalism*, came out a decade ago, Puerto Rican intellectuals urged her to come to the territory, identifying it as a clear example of her thesis (despite its omission from her book). In this regard, despite the accessibility of her book for a broad audience, there is a sense in which her sudden interest in Puerto Rico might be construed as much as a reflection of disaster capitalism as its critique.

BIBLIOGRAPHY:

Duany, J (2017) *Puerto Rico: What Everyone Needs to Know*, New York: Oxford University Press

Duffy Burnett, C and Marshall, B (2001) *Foreign in a Domestic Sense: Puerto Rico, American Expansion, and the Constitution*, Durham: Duke University Press

Fernandez, R (1992) *The Disenchanted Island: Puerto Rico and the United States in the Twentieth Century*, New York: Praeger

Klein, N (2007) *The Shock Doctrine: The Rise of Disaster Capitalism*, New York: Metropolitan Books

----- (2018) *The Battle for Paradise: Puerto Rico Takes On The Disaster Capitalists*, Chicago: Haymarket Books

Lawson, G and Sloane, R.D (2009) 'The Constitutionality of Decolonization by Associated Statehood: Puerto Rico's Legal Status Reconsidered', *Boston College Law Review* n4: 1123-93

Lecours, A and Vézina, V (2017) 'The Politics of Nationalism and Status in Puerto Rico', *Canadian Journal of Political Science* v50 n4: 1083-1101

Pantojas-García, E (2013) 'The Puerto Rico status question: can the stalemate be broken?' *Caribbean Journal of International Relations & Diplomacy* n1: 41-52

----- (2015) *Cronicas Del Colapso: Economia, Politica Y Sociedad De Puerto Rico En El Siglo Veintiun.*, San Juan: Ediciones Callejon

Pérez, J.J (2018) 'Depopulation threatens Puerto Rico', *El Nuevo Dia* 13th February: <https://www.elnuevodia.com/english/english/nota/depopulationthreatenspuertorico-2398339/> - Accessed 2nd January 2019

Rivera-Ramos, E (2013) 'Puerto Rico. Autonomy or Colonial Subordination?' In Ghai, Y and Woodman, S (eds) *Practising Self-Government. A Comparative Study of Autonomous Regions*, Cambridge: Cambridge University Press: 91-117

Scarano, F.A (2000) *Puerto Rico: Cinco siglos de historia*, México City: McGraw-Hill

Vézina, V (2018) *Une île, une nation? Le nationalisme insulaire à la lumière des cas de Terre-Neuve et Puerto Rico*, Québec: Presses de l'Université du Québec