Throughout the 1960s, it used to be the Free Associated State of Puerto Rico was touted as the Showcase of Progress and Democracy in the Caribbean as a result of its accelerated industrialization, the development of its infrastructure, education and health systems and a constitutional system of government.

However, for a while now, many United States and international news outlets and economic reviews are writing about Puerto Rico´s astronomical public debt, its junk-bond status, the overall economic crisis and the United States Fiscal Control Board that has been imposed on the elected government of Puerto Rico with the mandate of putting into order Puerto Rico´s public finances. The U.S. Congress´ PROMESA law legislated appointment of the Board.

At present, Puerto Rico´s debt is estimated at 69 billion U.S. dollars – up from 32 billion dollars in 2006, one year after the beginning of a recession in Puerto Rico that is expected to persist for years.

Beyond the junk bond status of Puerto Rico bonds, its unemployment is estimated at between 13 and 14 percent, it suffers a 44.9 percent poverty rate, and its economy has for decades depended on U.S. investment, low wages, tax exemption for foreign corporations, and dependence on U.S. federal funds.

Population and other demographic data are also indicators of a showcase gone sour. The new wave of Puerto Rican migration to the United States has been continuous and has overcome the massive 500,000 peak of the migration of the 40s and 50s. The present population of 5.1 million in the United States includes the present migration, 30% professional – especially
medical doctors and specialists – while an aging population of less than 3.5 million remains in Puerto Rico.

The constitutional system of government established in Puerto Rico in 1952 with the founding of the Free Associated State was a misrepresentation and also a failure as it left intact the backdrop for the present crisis which is the colonial status of Puerto Rico. In fact, recent statements by the U.S. executive, judicial and legislative branches have made clear that Puerto Rican sovereignty is under the plenary powers of the United States Congress, while its autonomy in fiscal affairs, was quashed by the PROMESA law and appointment of the Fiscal Control Board.

United States Congressional laws govern over Puerto Rico in international relations and commerce, monetary issues, migration and immigration, maritime traffic (with U.S. Maritime Law applied to Puerto Rico), customs, labor relations and trade union organization, border patrol, airspace and transportation, communications, defense, and now the fiscal arena besides many other areas.

It should also be emphasized that the mission of the Fiscal Control Board is to ensure that Puerto Rico pay its public debt and balance its budget. Its plan is to oblige the government of Puerto Rico

- Cut back the budget of the 11 campus University of Puerto Rico by $450 million,
- Cut back the health budget by $2 billion 500 thousand,
- Cut back the general government budget by $17 billion to $20 billion,
- Cut back the workday of government workers by 20% if the treasury does not have on hand $500 million by June 30, 2017,
- Eliminate the Christmas bonus of government workers,
- Cut back their vacation benefits,
- Reduce the number of government agencies from 131 to 35,
- Privatize Workmen’s Compensation, national parks and vacation centers, and several highways, ports and airports,
- Increase the costs of some services and car registration, property taxes and other taxes, fines, tolls, permits, urban transportation, by $1 billion,
- Cut back teachers’ workday and that of school cafeteria workers if the treasury does not have on hand $200 million by April 30, 2017
- Privatize public entities.

Recently, Nobel laureate Steven Steiglitz stated that measures to be taken are more severe that those imposed on Greece during its debt crisis, and that these will only make the situation worse. Several Puerto Rican economists have predicted that these measures will cause the economy to shrink by 8-10%, thus the sacrifices the program entails will not improve the
economy or the lives of the Puerto Rican people, but rather worsen conditions. Calls for an independent audit of Puerto Rico’s public debt, have gone unheeded.

In terms of its environmental protection and policy, ecological balance, climate change, global warming Puerto Rico is also subordinate to outside United States agencies, interests, policies, and power. This is very dangerous for the Puerto Rican population as Puerto Rico is a small island country in the Caribbean. Further part of the measure for stimulating economic development in Puerto Rico includes a fast-track for permits for infrastructure and other construction project. This will include fast-track environmental impact studies thus undermining environmental protection.

In the present situation of fiscal and economic crisis, the Puerto Rican legislature adopted a bankruptcy law which would have made it possible for public corporations on the Island to declare bankruptcy and thus be enabled to restructure their debt. (The debt of just one Puerto Rican public corporation – the Electric Power Authority – is estimated at 9 billion U.S. dollars.) In a lawsuit by a creditors, this legislation was overruled by the United States extra-territorial Federal Court which operates in Puerto Rico. Action which followed by former Puerto Rico Resident Commission in Washington, Pedro Pierluisi, for a law to be enacted in order that the Federal bankruptcy law be applicable to Puerto Rico went unheeded. A broad movement in Puerto Rico attempting to have Puerto Rico exempted from the application of U.S. maritime law has also gone unheeded.

In this situation, the people of Puerto Rico have already begun to mobilize. University of Puerto Rico students in 8 of the campuses have declared an indefinite strike and are expected to be joined by students in remaining campuses, while university non-teaching staff have also declared a strike. Trade unions recently came together for a massive march against the Fiscal Control Board’s plans under a multisector coalition.

The United States president and Congress have maintained a hands-off position regarding Puerto Rico’s debt crisis. This has deprived Puerto Rico of a rescue package and the tools necessary for confronting this crisis. The answers include that the United States must be forced to assume its great responsibility for the crisis in Puerto Rico, and to put an end to its colonial relationship with the United States.

However, as noted in a number of the editorials appearing in Puerto Rico major daily newspapers, El Nuevo Día and El Vocero, responds by the three branches of the United States government have been non-committal and even indifferent (except for appointment of the Fiscal Control Board with the purpose of forcing Puerto Rico to pay its debt.)

Many spokespersons in Puerto Rico have stated that the Puerto Rican community in the United States has a determining role because more than half of the Puerto Rican population is presently living in the United States where they participate in politics and form public opinion regarding Puerto Rico and other issues. When Puerto Rico was not a problem it was “swept under the rug.” However, now that Puerto Rico is an issue, the Puerto Rican diaspora in the United States can and is already exerting pressure in favor of just solutions to the present crisis.
The power relationship and political subordination of Puerto Rico to the United States points to the need for solidarity including regarding the need to end the colonial status which the United States has maintained over Puerto Rico since its invasion of the Island in 1898, almost one hundred and nineteen years ago.

Colonialism is an historical anachronism that has long been declared contrary to international law and human rights. The United Nations has repeatedly stated the right of the people of Puerto Rico to self-determination and independence in conformity with international law, in particular Resolution 1514(XV) of the United Nations General Assembly (1960), which is considered the Magna Carta of Decolonization.

Commitment to grassroots democracy is totally consistent with support for the decolonization of Puerto Rico as colonialism is also totally contrary to democracy. For the country ruled by another democracy is non-existent, even if there are elections every four years to elect local authorities as in Puerto Rico where at present elected local officials have lost their limited power to the U.S. appointed Fiscal Control Board.

United States control over vital areas of Puerto Rican life and the presence of of the Fiscal Control Board point to the need for support of its decolonization has to be supported. This is a matter of principle precisely because colonialism is contrary to human rights, contrary to self-determination and contrary to democracy.

Puerto Ricans are a separate people from the people of the United States. Before the United States invasion of Puerto Rico in 1898, the nationhood of the Puerto Rican people had been forged for more than four hundred during which our culture and national identity became clear and distinct from that of any other people in the world.

The plebiscites, referendums and the like carried out in Puerto Rico are not the solutions precisely because they have not been free exercises of the will of the Puerto Rican people. They have taken place in the context of colonial rule, military occupation, repression and persecution of the independence forces, economic dependence, and colonial legislation and U.S. Congressional legislation. Thus, their results cannot be said to reflect the true will of the Puerto Rican people. For these reasons, they have not been an exercise of self-determination.

While the United States has maintained that it will accept the will and decision of the Puerto Rican regarding its status, it has obstructed the process by maintaining that the issue is its internal matter and not recognizing the role of the United Nations.

But Puerto Rican pro-independence forces and even some supporting other options have recognized that the United Nations has a role to play, and have continually resorted to United Nations Resolution 1514(XV). They recognize that in order for an expression of the will of the Puerto Rican people regarding its future relation to the United States to be a free exercise, it must take place under international law because otherwise the determining factor in any exercise will be the power relationship of domination of the United States over Puerto Rico.

The present situation of fiscal and economic crisis is increasingly billed as a political crisis which
will force attention to the colonial status and the need to resolve it if the fiscal and economic situation are to be addressed. Regardless of status option preferences, at present there is in Puerto Rico an overall sentiment that the present situation and the colonial status must be resolved. Cleavages along which Puerto Rico’s main political parties are divided delineate several options but according to the rhetoric of leaders of the pro-statehood party and most leaders of the Free Associated State party, the country must move away from the colonial status.

The vibrant social movements active today in Puerto Rico regarding women’s rights, civil rights, community empowerment, the environment, youth, sports, culture, labor, cooperative and local economic endeavors, and many other areas, are in the constant encounter with the colonial status as an impediment to their objectives.

These movements and the pro-independence movement overlap in many scenarios. Along with the efforts of Puerto Ricans in the United States and solidarity from the people of the United States and our Latin American and Caribbean region and other countries, these are the basis for the future possibility independence and democracy in Puerto Rico.

A true exercise of self-determination with a level playing field for all options, including independence, must abide by international decolonization law. Despite this reality, important pro-independence and pro sovereignty sectors have joined forces and decided to participate in a plebiscite legislated by the present pro annexationist government of Puerto Rico where, if the process overcomes a number of obstacles it faces, the two options to be presented are 1) statehood and 2) independence/free association. If this plebiscite, scheduled for June 11, 2017, takes place there may be surprises regarding the strength of the vote for the second option of independence/free association.

In any case the struggle against the U.S. Fiscal Control Board now governing Puerto Rico and the struggle against colonialism and independence must continue, and solidarity with Puerto Rico must be stepped up.