

Decision making and ideology (II)

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Page : 27

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When the Popular Democratic Party (PDP) won the elections in 1940, Luis Muñoz Marín, who in 1948 would become our first elected governor, was an *independentista*. So, were the other leaders of the newly formed PDP. But in 1940, Puerto Rico was the poorhouse of the Caribbean with an annual per capita income of \$147.

Given that situation, they decided political status would not be an issue in the 1940 campaign. The focus of the PDP-controlled Legislature and of then-Gov. Rexford Tugwell, all who were socialists, was the social and economic problem of the island. “The stricken land” was what Tugwell called Puerto Rico.

They dealt with the island’s problems without status considerations and with socialist initiatives such as land reform—breaking up the monopolies of U.S. corporations over agricultural land, land distribution for housing and farming—minimum wages, income tax, government-owned factories, cement, ceramics, universal education, etc.

Their program was a success with regard to social justice, and the PDP breezed into the 1944 elections winning every municipality. Since at that time the Second World War had broken out, Muñoz held the PDP leaders back from raising the status issue in the campaign for the 1944 elections. When in 1945 it was clear the war was about to end, the status issue was promptly raised in Congress.

At that point in time, the PDP leadership was divided between those who wanted to push for independence for ideological reasons and those, such as Muñoz, who had experienced the reality of governing our underdeveloped island and was cognizant of the fact that separation from the U.S. had to be premised under certain conditions—such as a common market—for independence to work. They all wanted independence; the difference between them was the price they were willing to pay. This price, of course, was not to be paid personally. The price was to be paid by the people of Puerto Rico.

Those who were ideologically driven—*el ideal*—went into denial—we will make out alright under whatever conditions—or flatly assumed the position that this was a question of dignity and the consequences did not matter. The pragmatists, such as Muñoz, who knew that governing and bringing the island out from poverty and underdevelopment was a question of dealing with reality, insisted with Congress that the right conditions had to be met.

When their efforts in Congress crashed against the fact that U.S. treaties with foreign countries made it impossible for the U.S. to grant independence to Puerto Rico under the conditions necessary for independence to work, Muñoz and the PDP leadership were faced with a choice between ideology or

creative statehood. The ideologically driven bowed out from the PDP and formed the Puerto Rican Independence Party (PIP) when Muñoz ushered the pragmatists into creative statehood by espousing a new type of thinking about status.

The PDP would not start out from *el ideal*, independence or statehood, and then try to fit Puerto Rico's realities and necessities into it. This was the old thinking. It had been demonstrated in the hearings in Congress that our developmental needs could not be attended to under the independence model. The statehood model was even more difficult because of the constitutional rigidity of the union. Taxation must be uniform throughout the states and incorporated territories. There was no way our economy could develop with us paying federal taxes.

Since these alternatives were not viable, a new alternative had to be created that would establish the constitutional framework for us to emerge from underdevelopment. The new thinking focused on what we needed. We needed to maintain our common market with the U.S., we needed exemption from federal taxation and we needed self-government and fiscal autonomy to implement Operation Bootstrap, our economic development program. From these needs, the Commonwealth relationship was conceived. It was a breakthrough in political science, widely heralded at the time.

About the same time the idea of Commonwealth was conceived, Muñoz and the PDP leadership, who so vigorously and successfully had implemented their program for social justice, were faced with another dilemma regarding ideology: this time their socialist ideology. Puerto Rico was still poor and underdeveloped. Redistribution of wealth had been carried out, but agriculture did not provide an adequate income for our people, and publicly owned enterprises were not making a dent toward industrializing the island, which was what we needed. They had to turn to the private sector by promoting manufacturing plants to establish themselves in Puerto Rico, mainly through tax exemption. Operation Bootstrap was born. Ideology did not stifle creativity. In a decade, Puerto Rico passed from being the poorhouse of the Caribbean to being the showcase of democracy in the Caribbean.

As we struggle to find a way out from the situation in which we find ourselves in Puerto Rico today, we cannot forget the lessons that our history teaches us. Policy making based on ideology will not provide the breakthrough we need. Creative thinking free from ideological constraints and anchored in reality is the key that will open up a vast horizon for Puerto Rico.