

Four months after Hurricane Maria

Continuing crisis used to justify sell-off of Puerto Rico's electrical grid

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Efforts to exploit the hurricane-ravaged island of Puerto Rico accelerated Monday evening, four months after Hurricane Maria made landfall, as governor Ricardo Rosselló announced his intention to sell off the Puerto Rico Electric Power Authority (PREPA), the largest public utility in the United States.

Governor Rosselló shamelessly leveraged the ongoing crisis of the island's electrical grid to justify his decision, declaring that PREPA "has become a heavy burden on our people, who are now hostage to its poor service and high cost." The governor concluded that privatization would bring more affordable rates and better service to consumers, and even went so far as to claim that proceeds from the sale of assets and contracts would be "used to capitalize the retirement funds of employees."

These claims are a pack of lies. The privatization of PREPA will mean a massive attack on the working class of Puerto Rico and will lead to higher utility costs and major layoffs of electrical workers. The privatization of this basic necessity, electricity, is part of a broader strategy to extract recovery costs of the hurricane from an already impoverished working class and make Puerto Rico more attractive for investors. Far from "capitalizing the retirement funds of employees," the money made from selling assets will be used to pay the \$9 billion of debt owed by PREPA to a group of wealthy investors.

Plans to privatize PREPA have been long in the making. In 2016 the Obama administration created the financial control board, known on the island as "la Junta Fiscal," which is essentially an assembling of eight right-wing political operatives charged with dictatorially imposing austerity on the population and

funneling money to Wall Street. Since its implementation, the board has rejected restructuring the territory's \$74 billion debt and has openly called for the privatization of PREPA.

Months before Hurricane Maria landed, oversight board chair José B. Carrión III explicitly reported to local newspaper *Metro* that the main goal of the utility's newly appointed "Emergency Manager," Noel Zamot, was to "privatize the Electric Power Authority as soon as possible." When Hurricane Maria knocked out the entire electrical grid in September, the corporate and government vultures saw the devastation as a golden opportunity to finally achieve this goal.

These same figures have cynically lamented PREPA's botched recovery efforts, which have been crawling along at a historically slow pace, over the last four months. On top of this, there have been reports of desperately needed materials for restoring electricity being hoarded in warehouses, suggesting that there may have been deliberate efforts to sabotage the recovery in order to provide a further pretext for privatization.

It is no secret that PREPA has been in a state of complete disintegration for over a decade. The utility has been starved of resources and, like every industry on the island, it has been struggling to keep afloat through the territory's 11-year-long recession.

Thousands of PREPA workers have been laid off, bringing the workforce from 8,628 workers in 2012 to 6,042 in April of 2017. Even before the hurricane, large-scale electrical blackouts were a common feature of everyday life.

Furthermore, the transition of power from former utility board members and officials to a new energy commission created by 2014 legislation has resulted in

rampant corruption and mismanagement. The height of this corruption was displayed in the aftermath of the storm when PREPA awarded a major emergency contract—which they were eventually forced to cancel—to Whitefish, an inexperienced Montana company with only two employees.

Four months after Hurricane Maria, about 40 percent of electric customers remain without power in what is the longest and largest power outage in modern US history.

The third-world conditions this has created for the workers in Puerto Rico are a crime against humanity for which the ruling class in Puerto Rico along with both big-business parties of the US government hold complete responsibility.

The figures who have run PREPA into the ground would have the people of Puerto Rico believe that its state of disrepair is simply the product of its public ownership or mismanagement. In truth it is the result of more than a century of colonial exploitation of the island's working class as a cheap-labor platform and tax haven for multibillion-dollar corporations. Now the same figures who have made their fortunes creating this catastrophe are attempting to profit off the destruction.

The efforts of officials like Rosselló and corporate mouthpieces such as Zamot to use this crisis to their advantage come from a well-used playbook. The modus operandi of the ruling class is to take full advantage of these “natural” disasters to push through long-desired financial schemes under the cover of the “unavoidable” devastation.

The past two decades in the United States offer countless examples, foremost among them the crimes carried out against the working class after Hurricane Katrina destroyed significant portions of New Orleans in 2005. In the aftermath of the storm, a full-scale assault was launched on public education, which was almost entirely dismantled or handed over to private for-profit companies; social services were slashed or removed altogether; hundreds of thousands of residents were forced to leave the city, many of whom could never return; and the privatization of public assets was carried out in the name of “rebuilding” New Orleans.

The same scheme was employed against Detroit workers during the city's 2013-14 bankruptcy. As in Puerto Rico, an Emergency Manager with unlimited dictatorial powers was brought in to oversee the

destruction of pensions and the privatization of public utilities and schools, and he even attempted to sell off the city's art work to private foundations. In fact, the federal judge who oversaw the criminal bankruptcy proceedings in Detroit, Steven Rhodes, was brought in as an advisor for the Puerto Rican bankruptcy.

Notably, Puerto Rico is facing both of these disasters at once—the aftermath of a hurricane and the largest local government debt crisis in US history. As in New Orleans and Detroit, the storm and the financial crisis will be used to accelerate a social counterrevolution that was already well under way.

The central lesson of these struggles is that the elementary requirements of mass society are incompatible with a system that subordinates everything to the enrichment of a financial oligarchy. The greatest allies of the workers and students in Puerto Rico who want to fight against the coming attacks are not any local bourgeois politicians but fellow workers on the mainland and around the world.



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