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# Think Strategically

## The High Risk of Electing a Governor in Puerto Rico that favors Independence with a Socialist Bent

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### Historical Background

The most recent polls for Governor reflects an interesting political scenario in Puerto Rico; Jennifer González of the NPP leads with 37%, followed by Juan Dalmau of the PIP with 29%, Jesús Manuel Ortiz of the PDP with 22%, Javier Jiménez of Movimiento Dignidad with 7%, and 5% undecided. These results open the possibility of a historic change towards a governor with a pro-independence and socialist vision on the island.

In this analysis, we aim to help you understand the impact of this potential ideological shift; it is crucial to review our identity and relationship with the United States, which has profoundly shaped life in Puerto Rico. Historically, Puerto Ricans have two citizenship: Puerto Rican, granted by the Foraker Act in 1900, and U.S. citizenship, given by the Jones Act of 1917. Contrary to what many think, Puerto Ricans were never Spanish citizens but were subjects of the crown. Although the Autonomy Charter of 1897 opened a path to Spanish citizenship, the Spanish-American War cut short that possibility.

It is essential to understand that U.S. citizenship in Puerto Rico, granted by Congress, is not protected by the U.S. Constitution. According to the Insular Cases, this citizenship is a Congressional grant and could be revoked by an amendment to the Jones Act, mainly if Puerto Rico adopts an independence and socialist ideology that would lead Congress to reconsider its stance toward the island.

This reality underscores the value of our permanent union with the United States, which has provided stability, prosperity, and opportunity. Before turning to a model of government based on socialist and pro-independence policies, it is essential to consider the effects they have had on other countries that have chosen that path.

### Why Socialism Fails?

It is prudent to analyze how countries that have adopted socialist and pro-independence policies, such as Venezuela, Cuba, and Nicaragua, have seen their economies and quality of life affected. In these nations, the average income tends to be low, promoting a distribution of poverty rather than wealth.

For example, in Venezuela, per capita income is around \$9,830.74 per year, Cuba is \$8,047.94, and Nicaragua is \$2,530.60, which is very low compared to other Latin American countries and below \$1,000 per month. Extreme inflation and state control have devastated purchasing power, restricting access to essential goods and economic opportunities. In all three countries, restrictive policies limit job opportunities and discourage foreign investment.

In Puerto Rico, the average annual income is approximately \$34,000, not counting benefits from federal programs such as PAN, Vital, public housing, Pell Grants, and Social Security, among others. These

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programs contribute significantly to economic stability and allow greater access to quality services and financial stability that many countries in the region cannot achieve.

Before taking this step, it is prudent to analyze how countries that have adopted socialist and independence policies, such as Venezuela, Cuba, and Nicaragua, have affected their economies and welfare levels. Looking at data on average income, tax burden, economic freedom, foreign investment, growth rate, and unemployment in these countries, we find a worrisome trend toward the distribution of poverty rather than wealth.

### The Berlin Wall and its significance

The Berlin Wall was a powerful symbol of the Cold War, dividing East and West Berlin from 1961 to 1989. After World War II, Germany was divided into two states: the Federal Republic of Germany (West Germany), influenced by democratic Western powers, and the German Democratic Republic (East Germany), controlled by the Soviet Union. Though located within East Germany, Berlin was also divided, with East Berlin under communist control and West Berlin a democratic enclave.

To prevent East Germans from fleeing to the West, the East German government built the Berlin Wall overnight on August 13, 1961. The Wall was initially a barbed wire fence, but it evolved into a complex barrier with concrete walls, guard towers, and a "death strip" patrolled by armed guards. It was a physical and ideological divide, separating families and cutting off access to jobs and resources.

Over the years, attempts to escape over the Wall became legendary, with some managing daring feats and others losing their lives. In the late 1980s, reforms in the Soviet Union and mounting public pressure for freedom led to political changes. On November 9, 1989, East German authorities unexpectedly opened the borders, and Berliners from both sides celebrated as they dismantled the Wall. Its fall marked a crucial moment in the end of the Cold War and led to Germany's reunification in 1990. Today, remnants of the Wall stand as a memorial to its history and a testament to the resilience of those who fought for freedom.



### The Final Word: The Risk of Electing a Pro-Independence Governor is Too High for Puerto Rico

The Puerto Rico Independence Party's *Patria Nueva* program exhibits all the hallmarks of a socialist government, which typically relies on high taxes to sustain extensive state programs. *Patria Nueva* proposes the creation of 59 new government agencies, increasing the total to 191. Having worked in the government sector, I can confidently say there are already too many agencies, and at least 40 could be streamlined or eliminated. If Elected, Juan Dalmau's dream of an expanded government would

be financed through substantial tax hikes and severe restrictions on economic freedom, extending state control over everything from educational curricula to agricultural production and distribution—hallmarks of socialist governance.

Though Puerto Rico faces economic struggles, its relationship with the United States has provided stability, fostering an environment with higher living standards and opportunities that would be at risk under a socialist model. The experiences of countries with socialist and pro-independence governments, marked by low incomes, high taxes, suppressed economic freedom, stagnant growth, and high unemployment, underscore the consequences of such policies. These nations stand as cautionary tales, where poverty is distributed rather than prosperity created.

**If Juan Dalmau is elected, think about the following:**

1. With 46% of our GDP in Manufacturing, how much will be left once a 15% Tax is added?
2. How much less will our homes be worth if policies that impose new taxes on real estate investments succeed?
3. How big of a hit the four local public companies will take in their market capitalization?
4. What happens to the value of Commercial Real Estate?
5. What Happens to our tourism sector, which depends on stability and a favorable investment climate?

These are just five of the many questions we must ask ourselves, and remember Bad Bunny, Ricky Martin, Residente, Nydia Velazquez, Alejandra Ocasio Cortes, and Luis Gutierrez all reside in the United States of America; it is easy to be a patriot when you do not live in Puerto Rico and experience the consequences of your actions.

As you approach the 2024 elections, consider the Puerto Rico you envision carefully. As we are about to vote, we continue to see the turmoil in the United States border with immigrants attempting to enter the U.S. illegally; some succeed. During the 2023 fiscal year alone, over 2.8 million migrant encounters were recorded by the U.S. Customs and Border Protection. This marked a steady increase in unauthorized entries over recent years, with fiscal year 2022 seeing around 2.4 million encounters and about 1.7 million in 2021.

These migrants primarily originated from countries in Central and South America, with Mexico consistently representing the largest group. However, significant numbers also came from countries such as Venezuela, Nicaragua, Honduras, El Salvador, and Guatemala. Additionally, CBP has noted an increase in migrants from other regions, including countries like Haiti and Cuba, as well as an uptick in arrivals from non-Western Hemisphere nations like India and Turkey.

Every nation we used to compare what Puerto Rico would look like under a Pro-Independence Governor is represented here, and we use them in our comparison because Juan Dalmau, Ruben Berrios, and Maria de Lourdes Santiago are often photographed sharing ideas and dialogues with the dictators of Cuba, Venezuela, and Nicaragua.

The migrant surge reflects complex geopolitical, economic, and social dynamics that have led individuals and families to undertake dangerous journeys to reach the U.S. for security and financial opportunities.

In conclusion, electing a governor with a pro-independence and socialist ideology would be a high-stakes gamble with Puerto Rico's future, endangering both economic stability and the well-being of Puerto Ricans. This election is not just about political preference—it's about the road that will determine Puerto Rico's prosperity, stability, and strength for future generations.

So, as you get ready to cast your vote, ensure you fully understand the consequences of electing a Pro-Independence Governor for Puerto Rico and how it will affect Puerto Rico.

The choice rests with us all. Will it be a path of continued progress and stability or a leap into an uncertain future?

Sir Winston Churchill used to say: **"Socialism is a philosophy of failure, the creed of ignorance, and the gospel of envy, its inherent virtue is the equal sharing of misery".**



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