

# Housing Contractor's Tax Debt Reason Behind Senate Blasts At Puerto Rico

SAN JUAN, Puerto Rico.—The U.S. Senate has now heard charges from three different senators that Puerto Rico's Georgetown university-educated governor Luis Munoz Marin is dictator of that land. The accusing senators are Brewster of Maine, Butler of Maryland, both Republicans, and Johnston of South Carolina, a Democrat.

Their charges illustrate a new technique in what is supposed to be the most illustrious legislative body in the world—the U.S. Senate. For what the public doesn't realize when it listens to these speeches is that the man behind them is a South Carolina contractor who owes \$1 million in back taxes to the Puerto Rican government.

The Puerto Rican public does realize this, however, and reactions here have been highly prejudicial to the prestige of the U.S. Congress. Whereas Congress is supposed to set the highest moral and legislative standards for the Western hemisphere, actually the speeches of these three senators are regarded in Puerto Rico as little more than blackmail. In brief, if the Puerto Rican government doesn't forgive \$1 million in taxes owed by L. D. Long, South Carolina contractor, then the U.S. Senate will investigate Puerto Rico.

At a time when we are trying to encourage clean government throughout Pan-America this does not go down well in the Caribbean.

**HOUSING PROJECTS**—Meanwhile, Long of Charleston, S. C., becomes one of the most famous characters in Puerto Rico. It is doubtful whether Franklin D. Roosevelt or Harry S. Truman are better known, though their reputations here are more favorable.

L. D. Long is a likable, hustling contractor who has put up more FHA housing projects in Puerto Rico than any other man in history—housing that was badly needed though opinions differ regarding its durability.

Long and his family have been staunch supporters and contributors to the campaigns of Sen. Olin Johnston, who, aside from his current proposal to probe alleged tyranny in Puerto Rico, has been a hard-working and conscientious senator.

Shortly after he began operations in Puerto Rico, Long started to apply northern political techniques to the island and dropped in on Munoz

Marin, then a candidate for governor, with a large wad of greenbacks bulging from his pocket totaling \$25,000. These he offered to Munoz as a campaign contribution for the Popular Democratic party.

Munoz declined.

"Our campaigns do not cost that much," he said. "Besides, if I accepted that much money from one man the voters might hold it against me and I would be defeated."

Long however insisted. Finally Munoz told him to take the money to the secretary of the Popular Democratic party, get a receipt, and they would use the money if they needed it. If not, it would be returned. Long did so. At the end of the campaign—which incidentally elected a native, Munoz, for the first time in Puerto Rico's history—the money was returned.

**TAX TROUBLE**—The trouble over Long's taxes arose when former Gov. Jesus Pinero, a Washington appointee, told Long that his petition for tax exemption would be favorably considered. Ex-Governor Pinero has now gone to work for Long. But even so the ex-governor does not state that Long was promised tax exemption but rather that his petition would be considered favorably.

Since then the question of Long's taxes have gone before the U.S. District court and the U.S. Court of Appeals in Washington. Each decided against him. Though these first appeals were taken to U.S. courts, Long has now gone back to try his hand in the Puerto Rican courts, where the case now stands.

Whether he is right or wrong, Long certainly has been given every right of judicial appeal not usually available in a dictatorship, which he and his Senate friends now claim exists in Puerto Rico.

Meanwhile he has gone over the heads of the courts as dictators sometimes do to try his case in the U.S. Senate—which has left a decidedly bad taste in Puerto Rico.

Furthermore, he has employed certain other techniques not considered good practice in democracies to promote FHA housing in the island.

These techniques recently caused the Federal Housing administration in Washington to fire its FHA representative in Puerto Rico, Frederick D'A. Carpenter.

**FHA OKAYS**—Long has now financed a total of \$51 million worth of houses and apartments through FHA in Puerto Rico and has exhibited a surprising facility for getting FHA okays.

It is interesting that FHA representative Carpenter informed the Rockefeller group, an organization trying to help the low-cost housing situation in the Caribbean, that only 200 housing units were needed in San Juan. But only four months later the same Carpenter okayed 3,800 housing units for Long to be financed through FHA.