

Story Behind Puerto Rico Probe

By Dreiv Pearson

SAN JUAN, Puerto Rico.—The United States Senate has now heard charges from three Senators that Puerto Rico's



Pearson

George town University-educated Governor, Luis Munoz Marin, is dictatör 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 United States 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 one million dollars 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 United States Congress. Whereas Congress is supposed to set the highest moral and legislative standards for the Western Hemisphere, 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 one million dollars in taxes owed by L. D. Long, then the United States Senate will investigate Puerto Rico.

Badly Needed Housing

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 Johnson, who, aside from his current proposal to probe alleged tyranny in Puerto Rico, has been a hardworking 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 pockets, 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 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.

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 3800 housing units for Long to be financed through FHA.

The reason for Carpenter's interest in helping Long could have had some connection with the fact that a lady who registered on the S. S. Puerto Rico passenger list on June 14, 1951, as "Mrs. Rosario P. de Carpenter" is an officer in three of Long's subsidiaries. The lady is

Rosario Pelaez, whose daughter has been adopted by Carpenter and who is vice president of Caparra Commercial Corp. and Caparra Grocery Stores and is also secretary-treasurer of Caparra Pharmacy. All these are owned by Long, who paid "Mrs. Rosario P. de Carpenter" a regular salary.

After the discovery of this interesting connection between L. D. Long and the FHA representative who okayed 51 million dollars worth of housing for Long, the FHA fired Carpenter.

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Two Adverse Rulings

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. Pinero has now gone to work for Long. But even so, the former 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 United States District Court and the United States Court of Appeals in Boston. Each decided against him. Though these first appeals were taken to United States courts, Long has now gone back to try his hand in the Puerto Rican courts, where the case now stands.

Meanwhile, he has gone over the heads of the courts, as dictators sometimes do, to try his case in the United States 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 representative in Puerto Rico, Frederick D'A. Carpenter.

Okays Came Easily

Long has now financed a total of 51 million dollars 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