

Washington Post - x day, Feb 12 1950

# Puerto Rico's Industrial Plans Interest Neighbors

## Munoz Does Something About Program Of Industrialization While Other Islands and Countries Dream

By Edward Tomlinson

SAN JUAN, P. R.—At the end of his first year as Governor of Puerto Rico, Luis Munoz Marin is one of the most talked of men in all the Caribbean.

Here in the United States most of the headlines about that part of the world may herald comic opera revolutions in Panama, threats of war between the Dominican Republic and Haiti or the doings of military juntas and strongmen in Venezuela or elsewhere. But in Havana or Tegucigalpa, in Trinidad or Jamaica, serious conversation about events and developments in the Caribbean neighborhood soon turns to the first elected chief executive of this crowded American island of 2,200,000 people.

"What is going on in Puerto Rico today," a Jamaica newspaperman assured me, "is of much more significance to us than the martial exhibitionism of Dictator Trujillo or the swashbuckling antics of the Nicaraguan overlord, 'Somoza.'"

Jose Figueres, the Costa Rican farmer who headed a victorious revolt against the Communist-influenced regime of Teodora Picado, and finally turned the nation back to a duly elected President, Otilio Ulata, felt the same way. "I intend," Figueres told me in San Jose, "to go over to San Juan and study the activities of Munoz first hand. I think he and his democratic government have something to offer all the nations of this area."

At any rate, this new island leader has now had full opportunity to put his carefully planned political, social and economic theories to the test. As founder and head of his own Partido Popular, or Popular Party, and President of the Puerto Rican Senate for several years, his ideas had already experienced trial runs. But since January of last year, when he assumed completely the reins of government, Munoz has not only been chief architect but also administrator of what he has aptly called "operation bootstrap."

### INSPIRING LEADER

On the political side, Munoz has demonstrated remarkable leadership, a leadership that is not only courageous but inspiring. He has surrounded himself with young men, nearly all of them graduates of universities in the United States, as well as the outstanding university and technical schools of Puerto Rico itself. Several of them have also studied at other Latin American universities.

"The better to know all sides of the American world we live in and must deal with," one of them remarked. "Which will also better fit us for the role of hemisphere intermediaries; that is, help us to interpret the United States to the other Americas and vice versa," another added. As a Latin people, of Spanish blood and temperament, this new, this youthful Puerto Rico could be a forceful link between this country and our neighbors. Indeed, the Governor himself sees this as an integral part of his program. If the interest already being shown in Puerto Rican affairs by responsible citizens of the Central American and other island countries is any sign, this part of the Munoz program is already in full swing.

Munoz' leadership has been responsible for bringing to Puerto Rico a greater measure of individual freedom and self-government than has been attained by any other territorial possession in the New World in the last half a century. According to one important Venezuelan, now in exile from his native land, "more freedom than exists in two-thirds of the so-called independent republics of Latin America."

In doing this he has not followed the hackneyed techniques of the radical leftist or the extreme nationalist agitators. Nor has he done it by silencing the opposition or resorting to any strong-armed or underhanded tactics. He has done it by strict adherence to democratic principles. No opposition parties in the United States or any other country have ever enjoyed greater freedom of action in their campaigns to gain the support of the people for their ideas and policies. Yet in the first gubernatorial contest in Puerto Rican history, as well as in previous legislative elections, Munoz and his

in the political development of the island.

In the social and economic fields the new Governor has tackled the most difficult problem confronting any county or community in the Americas. That is how to make the most overcrowded and densely populated island this side of Japan—some 600 inhabitants to the square mile—more self-supporting. Naturally, if left to its own local resources Puerto Rico could never even supply itself with the barest necessities of life.

### SLUMS CLEANED UP

In spite of this grim outlook, under Munoz' leadership some of the largest slum-clearance and housing projects ever attempted in Latin America have already been undertaken and completed. Although these were started previous to the beginning of his governorship, it was after he had become the head of the dominant party and the leader of all legislative activities. Health and sanitation facilities in the cities have been expanded. New hospitals and schools, both urban and rural, have been built. Notwithstanding the fact that the population increases so rapidly it is like keeping a leaky bucket filled with water, more and better medical services are being provided for the children and poorer people of the small towns throughout the island.

But the part of the Munoz program that has created the greatest interest in the other Caribbean islands and countries is the ambitious industrialization campaign. The dream of industrialization obsesses the mind of every politician, business man and labor leader in Latin America. But few of them have devised anything like the practical plans or provided such attractive inducements to bring it about. Most competent observers will tell you that except for those of Uruguay and one or two other southern countries the Puerto Rican government is the only one that has created what the State Department has described as "a favorable climate" for outside private investment.

In order to do this no government has worked against greater odds. Puerto Rico not only lacks land, room to accommodate its vast population, but it has practically no natural resources. The only natural asset it has is people, a great reservoir of labor. Working against all the handicaps of a poor and overpopulated land it has managed, with the help of the United States of course, to give more people a higher standard of living than any other Caribbean island. And it already has a more diversified manufacturing industry than any of its neighbors, not excepting Cuba or the fabulously oil rich country of Venezuela.

### PROGRESS IN INDUSTRY

Under the Munoz program of industrialization more than fifty new factories, ranging from cement plants to rayon mills, have been established. Only five of these are government owned and operated, including a cement plant, a glass bottle factory, a shoe factory, a ceramic plant and a card-board factory. Two of these, the cement and glass-bottle plants, are already making a handsome profit. Yet they were built largely as experiments to prove that Puerto Rican labor and management could do the job, as well as to supply island necessities.

As an inducement to private capital, local and foreign, to join in the procession, the government offers a 10-year tax-exemption on all new plants and productive investments. It has built factory buildings, and even equipped some of them for sale or lease at low cost to private companies. Some 18 of these are now in operation. More important still, private capital itself has established 22 different plants, large and small, within the past two years. In all cases the government has encouraged, furnished guidance and even assisted

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#### SEEKS ISLAND CONSTITUTION

I recall an incident during the campaign for Governor in 1948. One overly enthusiastic Munoz supporter, speaking at a Popular Party meeting in San Juan, began abusing the opposition. Munoz immediately got to his feet, and in the manner of a kindly friend, said, "I am sure that all you say is true, but we must be forgiving even to our enemies. Let us not try to shout them. Just let us outvote them." And the great crowd roared its approval.

No one of the 48 States of the Union enjoys more actual local autonomy in the matter of legislation, in juridical authority over its own problems or in the levying of taxes. In the matter of taxes no State is so fortunate. All taxes collected, including income taxes, remain in the Puerto Rican treasury, to be used by the island government. Yet, unlike all the States, it does not even have its own constitution. A single commissioner is elected to represent more than 2,000,000 people in the House of Representatives in Washington, but he has no vote.

An island constitution is the next political step Munoz is pledged to take. He is going to Washington this month for the purpose of taking up the question with United States-congressional leaders. Having turned his back on the idea of Puerto Rican independence, at least for the time being, and with the complete backing of his people, he believes that this is the next logical step to take

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Today more than 125 different commodities are processed and manufactured, or assembled on the island. These products cover a wide range of things in everyday use—automobile bodies, bathtubs, blankets, cigarettes, eyeglasses, furniture, hats, mirrors, radio receivers, soap, textiles and zippers. More than 20 various items are produced for export to the United States. These include such things as radio sets, rugs, chinaware, buttons, lace, card-board and fur coats.

#### LOW LABOR COSTS

Among the principal advantages in manufacturing for export to the mainland is low labor cost. Not that there is any such evil as "sweated labor" in Puerto Rico. Wages and salaries are less, of course, but it costs much less to live in the tropics—no heat, heavy clothing or other costly winter necessities. Also, there is a greater supply of labor.

At any rate, here is one community of people, a community of American citizens who became citizens not through their own wishes or actions, but as a result of conquest and annexation on our part following the Spanish American War, who are not asking something for nothing. They are desperately trying to help themselves. They ask only for legitimate, businesslike co-operation from their own fellow citizens on the mainland. They guarantee to go halfway, even farther, to meet those who are willing to join in this unique, not to say unprecedented "operation bootstrap."