

EXPANDED ANSWER 53:

As stated previously, Independent Vieques needs to be financially self-sufficient in the long term. The financial resources for all future sustained operations and community/social development must be self-generated via taxes and other government funding sources. Transition into independence and short term viability will require additional sources such as outside investment, grants, negotiations with the US, and/or donations.

Debt used as a tool for infrastructure that pays for itself from the income provided from the investment is rational and should be used when economically justified. Debt without supporting income or without requisite growth is risky and not in the plan. Pension debt (if pensions are in the plan) is to be 100% offset by investments based on the concept of equity share in a pool rather than unattainable *defined benefits*.

CAPITAL – UNIQUE VIEQUES FUNDING

The income generators of commerce are critical to sustainability but are inadequate in Vieques for the transition and the short term. To the extent that the new nation lacks sufficient income driven by commerce to bridge the gap, a combination of early investment and grants will be required. The ongoing costs to operate sustainably are more predictable and routine. These are the items of normal budgets.

Transition Funding Plan

Our general plan is “10:50:350”.

10: A ten-year transition into an independent, decolonized nation;

*50: An annual \$50,000,000 transfer payment to Vieques for 10 years;
[Note: the US gives a net of \$20 billion to Puerto Rico every year, which averages out to about \$5,700 per person. With 9,200 Vieques residents, that's the equivalent of \$50M.]*

*350: Cash payments to Vieques totaling \$350,000,000 by the US Navy over several years.
[The Superfund cleanup of the east end bombing range is slated to require 10 more years, cost well in excess of \$250M, and leave 2% of the island unsafe and uninhabitable. The Navy has approved this funding already for Vieques.]*

While still a territorial possession of the US, it is reasonable for Vieques to expect continued economic support at the current level for the period of transition. The mechanism would need to change so that funds would come directly to the transition government rather than through PR. It would further be reasonable for the US government to assist the decolonization effort by funding or performing many of the legal and administrative processes and negotiations required.

Help with funding the establishment of many of the new responsibilities of becoming independent during the transition might be in the best interests of everyone. If the US were not to step up to help guide this process, another country might find it advantageous to fill the void. The UN also has programs to assist decolonization efforts. We expect no help from Puerto Rico given their long-term financial crisis situation.

To receive outside support, we must have people believe in our cause and take us seriously. But, how do we get credibility when we have no funding, and how do we get funding when we have no credibility? We petition Congress to reallocate already committed Navy cleanup funds to economic development.

The US has agreed to the Navy cleanup effort to the tune of approximately \$250,000,000 although the actual cost of a proper cleanup has been estimated to be much higher – so we are using the figure of \$350,000,000. It could certainly be to our advantage to agree to the release of the US from financial and other liabilities in exchange for a “cash” settlement that we could **allocate to infrastructure and economic development immediately**. We would continue to prohibit access to a part of the island that we have never been able to visit or use, but the upfront funding could make a huge justifiable difference. Over time, as we become increasingly wealthy as a nation, we would be able to afford to contract the resumption of cleanup of the designated areas to whatever standards we feel appropriate. An added advantage to the US would be that it would diffuse a constant aggravation and the conflict with the local population over the speed, quality, and methods of the cleanup.

Note: There are many who have fought for decades to force the Navy out, remediate the damaged land, eliminate the hazardous waste, and regain access to the formerly occupied lands. The thought of letting the Navy “buy us off with money” and not complete the cleanup may be repulsive on an emotional level. When examined on a rational basis, the tradeoff can be of a far greater benefit than the cleanup ever could be. Looking at the facts:

- *The cleanup will require at least 10 more years and will be inadequate to allow use of the area forever.*
- *Fish & Wildlife will continue to control the restricted use of the entire east end of the island forever.*
- *Much of the land and sea that they control will remain off limits to the public. Access will not be much more than what we currently have forever.*
- *\$350,000,000 would allow us to upgrade our educational, medical, transportation, and a host of other critical systems to the latest and best standards now.*
- *With Roosevelt Roads and appropriate economic development there, our programs and resultant tax proceeds would be sustainable.*
- *Employment opportunities would become abundant.*
- *We would gain ownership of the entire island (almost 200% more than we now have), although the 2% or so of land area used for the bombing practice would still remain unsafe and off limits forever.*
- *After a decade or two of growth and prosperity, if we decided to further the cleanup on our own, we could dedicate the funds and do it.*

The critical question citizens must answer is: “Do you want the island to prosper or would you prefer to have the Navy continue the cleanup and let everything else remain as is?” It’s an opportunity to use the Navy funds to rebuild our future rather than remediate the land we can never use anyway.

The effort to oust the Navy was a hard-fought success, but the expected prosperity never materialized due to a lack of vision and funding. With a Navy buyout and this new vision, the past efforts will be recognized as the initial instrument, the catalyst in realizing our dreams.

Vieques hopes to be able to capitalize on the opportunity to become a proof of concept for many areas of system infrastructure. We will be looking to the private sector for partners to consult with us and help fund the new projects.

OUTSIDE INVESTMENT CAPITAL

The income generators of Commerce are critical to sustainability (and must be driven by commerce), but inadequate for the transition and the short term. To bridge the gap, we require a combination of early investment and grants to supplement the transition funds described above.

According to Forbes, in 2014-15 there were 536 billionaires in the US collectively worth \$2.566 trillion. 4.6 million U.S. households had net assets of at least \$1 million in 1998 [Consumer Federation of America and Providian]. Most of these wealthy individuals are also philanthropists who truly want to improve the world consistent with their visions. Having all this resource, one would expect that it would be easy for them to fund an operation according to their individual philosophies. Well, it’s not! In fact, many find it frustrating and exceptionally difficult to sell their theories even while offering millions toward the goal. Communities and bureaucracies are eager to receive funds but loath to the idea of surrendering direction of a project or an ongoing operation to a wealthy outsider. These individuals and foundations will be the major source for transition funding.

The politics of changing systems of education, health care, energy production, justice, welfare, UBI, land use, taxation, or government in general is overwhelming, and efforts to make such changes usually fail or are at best temporary. Independent Vieques would be different. We provide a relatively clean canvas. Most of our existing systems are broken beyond repair, and it would be hard to imagine a well-funded program not making a demonstrably positive impact. Additionally, we would offer the donor the opportunity to develop within the context of a small-scale new country, which would be a once in a life time event, complete with great personal satisfaction, proof of concept, visibility, and **new opportunities**. This is an environment where smaller amounts of money and a strong vision could have measurable impact in so many areas.

While all of the issues would be of high importance to the residents, the vested interests of large, entrenched government bureaucracies are absent. The efforts to implement any program

would need to be sold to the people, not to an existing hierarchy of government workers protecting their turf. Selling anything to an anxious, skeptical, and untrusting citizenry would not be easy, but it would be greatly preferred over trying to convince officials to abdicate many or all of their positions, careers, power, and income.

One very important element of our approach is retraining the existing staff. **The intent is not to begin new programs by firing everyone. We don't want new staff hired from abroad to replace us.** We recognize that our expertise is limited, so we want to grow with the new systems. Top managers for all new ventures will come from all over initially, however, their missions will be to organize, train, and equip our people and facilities for the purpose of making us self-sufficient and allowing us to carry on independently after the transition. Critical skills that can't be trained locally (doctor, architect, engineer....) may need to be hired from other countries until our own citizens become adequately educated abroad. Some existing workers will be displaced due to their inability to adapt, unproductive attitudes, or lack of the appropriate skills/work habits. Other employment and/or educational opportunities will be offered to those displaced.

The marketing plan requires researching various foundations and high worth individuals to determine who would be likely to either provide a grant for or invest in the development of our systems discussed above. In some cases, we know that we might have to accept becoming part of an experimental program in order to get a certain level of funding, but those issues could be decided upon when presented to us in the context of other options. We are also aware that certain development/investment opportunities will need to be exchanged for the required infrastructure and program creation implemented during the transition period.

With considerable on-going public attention via the media and the internet, we potentially could tap corporate sponsorship (money and other benefits) in return for endorsement or advertising. This same media frenzy could flip the buy-sell relationship used in grants. Typically, applicants do tons of research to locate funding sources, work with scattered submission dates, fill out reams of forms, and jump through all sorts of hoops to sell themselves. We will certainly need to do this. But, in some cases, we will define our needs and ask the donors to identify how they would implement an appropriate program. Most philanthropic organizations would not be able to respond, but those that do might make excellent partners.

As another contemporary and valid way to supplement the big dollar approach is the little dollar appeal: crowd funding or crowdsourcing via the internet. The target market for solicitation includes two groups: those that are sympathetic to our cause and those that are looking for a "premium", that is some direct benefit such as honorary founder, free lodging, tee-shirt, or any number of things. Multiple appeals can have different foci.