

## EXECUTIVE SUMMARY

### Problem

Vieques, PR is an island community of 9,200 US citizens who do not enjoy the privileges of self-determination. Laws and regulations are enacted by the US Congress and administrative agencies, while we have no vote. We are small and removed from the government of Puerto Rico who controls and exploits us, treating our inhabitants as inmates. Our needs are overshadowed by powerful special interests on the main island. The PR government does NOT govern for or with us, but rather does unto us whatever it wishes. Our schools are the worst of the worst, our medical care is dismal, our crime rate horrible, and access to services on the main island is restricted by the collapsed government run ferry service. Vieques is a colony of a colony, and we wish to become an independent country, as the US has repeatedly offered to PR as an option. We have wonderful natural resources that we plan to leverage to make us financially and environmentally sustainable. We need help for the transition to independence.

Viequenses have been facing constrained futures and arrested development forever. The promise of life, liberty, and the pursuit of happiness has been a fantasy. Opportunity and hope for the future are dismal for our youth. Our fates are almost completely determined by outside interests. Our services and infrastructure are horrible:

- Schools: Less than 25% graduated from high school in 2016 – worst system in PR;
- Healthcare: Inadequate emergency/basic temporary clinic only;
- Security: Drug entry point to US; annual murder rate as high 1.6 per thousand and currently 9 for 2019;
- Justice System: High crime rate with minimal investigation or prosecutorial success;
- Transportation (access to the main island for services and supplies): Government controlled service used as a choke point to benefit special interests;
- Economic Development: Impeded to benefit monopolies and other patronage priorities of the governing elite; labor participation rate is well under 50%; and
- Utilities: Self-serving and corrupt government monopolies overcharge, discourage innovation, and underserve.

Our situation is deteriorating as the financial disaster and the aborted recovery from Maria progress. Forced sale of PR assets in Vieques is envisioned while municipal budgets are cut. The politicians of both the US and Puerto Rico have assigned low priorities to our island. We are the flea on the tail of the dog and have no say in any law or rulemaking. We have demonstrated our successful organizing skills by ejecting the Navy, but have been unable to effect change in our own governance through protests and written demands. But now, we have a vision and a plan.

### Solution

Through the decolonization of Vieques (and possibly Culebra, if so desired) combined with the entire former Navy base at Roosevelt Roads, a new country can be created that shares limited borders, culture, language, history, and mutual economic dependence with Puerto Rico. As

such, decolonization of Vieques can serve as a lifeline and a catalyst to the entire economically depressed eastern region of PR.

As a sovereign nation that includes the annexation of the former base, Vieques can effectively develop Roosevelt Roads in ways impossible for Puerto Rico. There are many reasons why this would be beneficial for PR:

1. Under the control of any Puerto Rican entity, savvy and ethical developers are NOT soon going to entrust their fortunes to the chaotic Commonwealth. Likewise, municipalities are frozen out of the mix because they are subordinate to the Central Government.
2. The recent news about environmental issues at RR is physically and politically toxic.
3. PR has no money of its own, no way to acquire more, and no rational plan for the former base or the rest of the island, but Vieques is connected to influential entities in the US.
4. **Without** the many unneeded controls and constraints of hundreds of regulating bureaucratic organizations, Vieques would have an enormous competitive advantage. It is the intent to position and orient a new government function as a **partner** with quality businesses, as opposed to as an adversary.
5. There would be many jobs and opportunities for the residents of the Ceiba, Naguabo, and Fajardo areas. **Furthermore, existing US businesses planning to leave PR could relocate to the Port of Vieques (RR) and retain their workers and gain tax advantages.** Most of the business development activities envisioned for Vieques would take place on the former base. The majority of the employees would necessarily live in the surrounding municipalities – shopping and paying taxes in PR. Additional industry, commerce, and population growth would return to Ceiba, a close and valued business partner on the PR side of the border.
6. PR would receive **indirect access** to the small, but significant, Port of Vieques allowing export/import via international shippers, thus **obviating the restrictions of the Jones Act.** PR savings from by-passing the existing oppressive colonial arrangement could amount to anywhere from \$100,000,000 to \$1,000,000,000 per year.
7. The airport could also focus on international air cargo that SJU cannot.
8. Vieques would become a contemporary demonstration project, utilizing the successful **process of decolonization established in the 1980's with the Marshall Islands and the Federated States of Micronesia, through a Compact of Free Association** that other US territories (or portions thereof) could ultimately follow and improve upon.
9. As an independent country, Vieques (with the annexation of Roosevelt Roads) can bring a fresh approach, a clean balance sheet, and an opportunity to build a small-scale economic engine geographically attached to Puerto Rico.

New development often faces a chicken-and-egg dilemma: lack of a track record and financial credibility yields no investment, while no investment results in no credibility. So how does Vieques solve the financing issue without **new** funding from the US? The answer is “10:50:350”: **similar to those arrangements agreed to in the “Compacts”**.

10: A ten to fifteen-year US supported transition into an independent, decolonized nation.

50: An annual \$50,000,000 transfer payment to Vieques for 10 years; The US historically funds 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. The payment would go directly to Vieques, not San Juan.

350: The cleanup of the east end bombing range is slated to require at least 10 more years, cost more than another \$350M, and leave 15% of the island uninhabitable. The US Navy has approved \$250M funding already for Vieques.

\$50M per year would allow Vieques sufficient funds to operate the island while improving education, utilities, social services, and other infrastructure. Redirecting the \$350M would give independence credibility (to grantors and investors) and the necessary kick start for economic development at Roosevelt Roads (the Port of Vieques) and in Vieques.

### US Gain

- Credibility – The US would reaffirm its claimed rhetoric that PR is truly not an oppressed colony by allowing a part of the “empire” that requests its sovereignty to negotiate independence. On the other hand, obstructing or denying such a request by Vieques - no matter what the excuses - could create or compound the public relations disaster.
- Reduction of an annoyance – Vieques has been a very vocal critic of past local US military activities and the current related cleanup.
- Cost - The US is going to be required to financially assist PR for some time. Only economic development reduces the magnitude of the problem. The FOMB should see also see a huge benefit – after all, it’s their lifeboat, too.
- An ally – politically and economically.

While we may not have the in-house experience of governing a nation of 10,000 or so citizens at this point, we know to hire private consultants and contractors to help and guide us. We have developed sufficient understanding to begin the process, hire consultants to train our people, and to refine it over the next 10 to 15 years.

This is a classic win, win, win scenario. Once a **provisional** decision has been made by Congress, a transition would be implemented that would last a decade or more. Working together synergistically with PR to attract various businesses to this unique arrangement, Vieques could help further the goals and growth of our neighbors of eastern Puerto Rico.

Financially, this can bring long term gain to PR, and it can definitely be a source of excitement leading to new regional investment. Decolonization of Vieques is a huge step that doesn’t solve all of the problems faced by the US, PR, or Vieques, but it introduces a paradigm shift in the economic activity of the region that can generate growth.

While the “loss” of Vieques and Roosevelt Roads might seem unthinkable to some, it might better be thought of as a tactical sacrifice to improve the economy (and the economic future) of Puerto Rico in a manner impossible without the decolonization of Vieques. In order to happen, Viequenses, Culebrenses (if desired), and the governments of Puerto Rico and the US must agree, and that is no small task. If all goes well, maybe through incremental annexation, much or all of Puerto Rico may decide to join the new country - or form their own nation(s).