

*The following is a message from MM&P President Don Marcus.*

Union Sisters and Brothers:

Most of us have been outraged—but not surprised—by the tidal wave of lies about the Jones Act that have circulated in the aftermath of Hurricane Maria. Opponents of the act have seized on the suffering of Puerto Ricans and other American citizens to attack the law that regulates domestic shipping.

Responding to some of the distortions that have appeared in the press, MM&P and the other Maritime Labor Alliance unions\* issued the following statement on Sept. 28, 2017:

*The humanitarian crisis in Puerto Rico is one that requires the full resources and cooperation of all Americans. The men and women of the United States maritime industry, which includes several thousand Puerto Ricans, are deeply committed to providing the relief the people of the Island need. The domestic maritime industry has risen to the occasion.*

***Contrary to misinformation that has appeared in the media, the crisis in Puerto Rico has nothing to do with the Jones Act. There is no shortage of U.S.-flag tonnage available to serve the Island. The emergency is caused by lack of ability to move critical supplies—food, medicine, water and fuel—from the ports where they are located to local communities.***

*The Maritime Labor Alliance insists on setting the record straight. The facts are as follows:*

- 1. The Jones Act does not prohibit foreign vessels from transporting supplies to Puerto Rico. In fact, nearly two-thirds of the vessels calling on Puerto Rico are foreign flag and nearly all the fuel transported to Puerto Rico is delivered aboard foreign-flag vessels.***
- 2. Maritime labor does not oppose Jones Act waivers in emergencies if there are not enough U.S.-flag ships available. There are currently 15 U.S.-flag ships and U.S.-flag ocean-going tug/barge combinations regularly serving Puerto Rico. These vessels alone are now bringing in more supplies than can be distributed ashore. Other U.S.-flag commercial vessels are available as are over 60 government-owned reserve cargo vessels that can be called into action and fully operational within 72 hours.***
- 3. If a shortage of U.S.-flag ships hinders relief efforts in the future, the MLA unions will fully support a temporary Jones Act waiver.***
- 4. Spreading falsehoods about the Jones Act is harmful to the economic and military security of the United States. The Jones Act facilitates regular, reliable shipping services between the Island and other U.S. ports and at the same time promotes jobs for Puerto Ricans and other Americans, while safeguarding the U.S. shipbuilding industry and merchant marine in times of peace and war.***

Needless to say, the statement did not receive anywhere near the same level of attention given to the strident, ill-informed voices in the anti-Jones Act chorus. There was likewise little media coverage of the Sept. 27 Congressional testimony by Brian Schoeneman of the Seafarers International Union, which clearly expressed the position of maritime labor.

\* The Maritime Labor Alliance consists of six leading maritime labor unions: American Radio Association (ARA), Inlandboatmen's Union (IBU), International Longshoremen's Association (ILA), International Longshore and Warehouse Union (ILWU), Marine Engineers' Beneficial Association (MEBA) and International Organization of Masters, Mates & Pilots (MM&P).

Media coverage of untruths about the Jones Act subsided only when the horrific tragedy in Las Vegas moved the situation in Puerto Rico off the front pages. In the interim, blows against the Jones Act have been landed. Once again, facts and education will be needed to counter the misrepresentations that seek to bury our industry.

Particularly egregious is the lie that the Jones Act prevents ships of nations other than the United States from trading in Puerto Rico: it may well be the most cynical falsehood circulating in this regard. As stated by the Maritime Labor Alliance unions, nearly all the fuel delivery vessels and two-thirds of the ships currently trading in Puerto Rico are foreign-flag.

Another contender for the most cynical lie is the claim by various broadcast outlets that labor unions are somehow responsible for the human suffering caused by Hurricane Maria. (Note that many Puerto Ricans are members of the maritime unions and have had a long and distinguished record of employment in the U.S. Merchant Marine.) Our opponents don't just want to use Hurricane Maria as an excuse to kill our industry; they want to use it as an excuse to destroy labor unions.

Similar lies and distortions are to be expected from neo-liberal bastions of global corporate wealth and so-called free-trade institutions such as the Heritage Foundation, the Cato Institute and The Wall Street Journal. In their crusade against the evils of "protectionism"—a doctrine they embrace only when it is used to prop up failing banks and other financial institutions at the taxpayers' expense—they seek to jettison the Merchant Marine Act of 1920, which for almost 100 years has, yes, "protected" American workers, shipyards and our merchant marine in the interest of strengthening our nation's military and economic security. Can anyone seriously believe that a nation that cannot build its own ships, crew ships with its own nationals or carry its own domestic cargo is secure in today's environment?

An Op-Ed in The New York Times ("The Law Strangling Puerto Rico," Nelson A. Denis, Sept. 25, 2017) went so far as to assert that Canadian pharmaceuticals and international oil shipments couldn't reach Puerto Rico without "a 30% Jones Act mark-up." The New York Times should research the facts to avoid printing such garbage.

The Jones Act is not responsible for the hardship in Puerto Rico, either in the current emergency or with regard to its long-term debt crisis. As I write this column, containers sit on the dock in Puerto Rico, with distribution inland being the immediate problem. Shipping is available from the United States and internationally as it always has been, and no one in American labor or the American maritime industry as a whole would or has opposed Jones Act waivers if U.S shipping is not available in times of national emergency.

Note that not a single "free-trade" globalist think tank has addressed the reality that any Caribbean nation with a significant population—even one with a relatively prosperous economy—would suffer in the wake of a natural disaster of the entity of Hurricane Maria.

The anti-Jones Act editorialists enjoy citing the higher freight rates paid to ship a container from a U.S. port to Puerto Rico versus from a U.S. port to the Dominican Republic or Jamaica. No doubt the freight rates are higher.

But is the Dominican Republic, which is not "handcuffed" by the Jones Act, an oasis of prosperity? Is Jamaica enjoying economic growth? Are citizens of these beleaguered nations, who are unconstrained by the Jones Act, better off than the citizens of Puerto Rico? Are Cuba, Haiti, Martinique, Guadalupe or any of the other major islands of the West Indies prosperous because of the economic wonders of cheap international shipping? Of course not. These island nations are all suffering in our global economic system. Even citizens of the oft-cited U.S Virgin

Islands, which are not covered by the Jones Act, live with more costly shipping and a moribund economy.

The fact is that for the most part, Puerto Rico—at least until Hurricane Maria—has been considerably better-off than its neighbors. The reality is that the Island's connection to the United States has meant that most Puerto Ricans have more options and advantages than other inhabitants of the West Indies. This fact is borne out by the fact that the American citizens of Puerto Rico have consistently voted for statehood and against independence.

Members of Congress who want to help Puerto Rico should be advocating for statehood. Rather than trying to repeal the Jones Act, they should reverse their repeal of Internal Revenue Code Section 963, which grievously damaged the Puerto Rican economy years ago by removing tax incentives for pharmaceutical and chemical industries to locate plants there. What is needed are laws and economic incentives to foster employment that are tailored to the unique conditions of Puerto Rico's economy—not the elimination of domestic shipping regulations.

Make no mistake: Workers in Puerto Rico and on the mainland, union wages and working conditions and domestic industries—including the United States maritime industry—are all under attack.

There is no clearer demonstration of this fact than the ongoing hatchet job being perpetrated on the Jones Act.

Sincerely and fraternally,

Don Marcus  
MM&P President