

ravenous creditors looking for every penny, and with not even a law to organize the process.

No matter what you may think or want to believe, we are in this together. Actually, there is a Supreme Court case solved in 2007, which I quote in detail in my written testimony and it is included as an annex, that specifically addresses this issue in state—that in a situation where a U.S. territory faces economic insolvency, the U.S. Government is responsible and might be liable.

I have no doubt that we can solve our crisis and can come out of it stronger, if you realize that we are still together and come to the table to work with us. One-sided solutions won't work, whether they come from your side or ours.

I request of you a joint resolution of Congress, asking the Treasury Department and the Federal Reserve to roll up their sleeves and do more than just give advice. They need to get involved and be part of the solution. They have the power and the tools and the responsibility to do it. We are willing to sacrifice, but we need a fighting chance. No country, no state, no jurisdiction has gotten out of a crisis like ours without a bankruptcy law, a central bank intervention, or help from outside.

Call our relation a bilateral compact or a colonized territory. At this time it all means one thing: we are in this together. Thank you.

[The prepared statement of Mr. Vilá follows:]

PREPARED STATEMENT OF ANÍBAL ACEVEDO VILÁ, FORMER GOVERNOR OF
PUERTO RICO

I want to thank this subcommittee and its Chairman for holding this hearing and for the invitation to testify. The first time I testified before the full Committee on Natural Resources was back in 1997 when I first became president of the Popular Democratic Party. A few years after that, I became a member of the House and of the committee and, as you know, later I was elected Governor of Puerto Rico. One thing is clear with the passing of all those years, there has been no action from Congress to deal with the status of Puerto Rico. And regarding the economic situation of the Island, the actions taken by Congress in the last 20 years have badly hurt our economy. It's clear we are in a worst situation today and that, yes, the United States has failed the people of Puerto Rico despite us being together for so long.

While Puerto Rico first produced sugar and then soldiers, the United States and our island worked together. While Puerto Rico provided thousands of our limited acres for military training and an open economy where American businesses flourished and prospered, you told the world we worked together. We have gotten to where we are today, together. A lot of the good and the bad were done by our own hands moreover a lot of the good and the bad were done by your hands, too. Now, Puerto Rico is in a deep crisis that is threatening essential government services, including safety, education and health care. But contrary to the good old times, this time the U.S. Government is keeping its distance.

I must say the title of this hearing is quite revealing. First, it is evident this hearing is not to analyze any pending legislation before this subcommittee, and therefore there's no prospect of actual legislative action in the near future. On the other hand, the fact that the hearing combines the issue of the political relationship between Puerto Rico and the United States and the economic situation in the island is quite revealing, too. As far as I can remember, this is the first time any institution of any of the branches of the Federal Government have implicitly or explicitly recognized the important linkage between these two areas.

For the last 2 years I have written and spoken about these two issues. I have submitted for the record a PDF file of a book I published in English in August of last year. I invite you to read it carefully, but I'll briefly explain my conclusions and commendations:

1. It is long past overdue a deep revision of the economic relationship between Puerto Rico and the United States. For many years this subcommittee and the full committee have approached the issue of that relationship from a