The 'Parallel' Economy

(The following remarks were made to a Bolshevik Tendency gathering last summer by a comrade who had recently returned from a trip to Nicaragua.)

The crisis in Managua is so apparent. You go into a supermarket and in the entire supermarket the only thing that's there is a few mouldy heads of lettuce, some soap and some toilet paper. I stood in line for two hours to buy a roll of toilet paper and I paid a buck for it. That's a dollar American, most of the stores won't even take cordobas....

Anyway, the point is that it can't last, it's never going to last another four years, I'll tell you that...All you do is leave the supermarket and you go to the flea markets (mercados), there are flea markets all over Managua. You go into the flea markets and anything you want is there, at premium prices. Anything that is available in a supermarket in the United States is available in the flea markets. It all comes across the border illegally. And everything is sold for dollars, American dollars. The American dollars go from your pocket to the blackmarketeer, across the border to Honduras to the supplier and back again. It never goes through the government. So in other words the Sandinistas never get their hands on any of this foreign exchange. An economy that is completely outside of their control. And it undermines everything....The crisis is very serious and it can't last. ■