

## *Samizdat, Tuzex*

The crown's unrealistically established exchange rate, set in the currency reform of 1953, and the peculiarly fabricated internal price level, which has no connection to world developments, had the result that in practical terms the flood of hard currency stopped reaching private individuals. The high exchange rate of the crown raised the price of a stay for tourists to unaffordable levels. . . .

For this reason, alongside of a special supplementary charge for hard currency used in foreign travel, in 1957 *Tuzex* was established—a foreign-business enterprise selling retail goods. In *Tuzex* stores one pays with special vouchers or with convertible hard currency. *Tuzex* vouchers are exchanged for hard currency according to the official exchange rate. Prices at *Tuzex* are different than our internal prices. Similarly, the assortment of goods is substantially different. For the most part they come from imported goods or from domestic goods that are slated for export.

*Tuzex* has very negative sides politically, as well as economically. With the establishment of *Tuzex* we deepened the division of the population into different privileged groups respective to access to material property.

In capitalism [social] position is differentiated, above all, by wealth. In essence no other vantage point exists, for even family privilege was abandoned. There exists here, however, a narrow group among the highest party and state hierarchy, which has its so-called delivery service. This includes first-quality goods, assortments, and items not harmful to health and, in some cases, they are available even for special prices. They have their hotels, resorts, sanatoriums, hospitals, doctors, etc.

Here a second group has the possibility of shopping at *Tuzex*. These are the people with hard currency. Many of the goods on sale in *Tuzex* are completely unavailable on the domestic market. If an ordinary person wishes to buy something at *Tuzex*, they must obtain *Tuzex* vouchers. They do so through the black market and for prices set by artificial supply and demand. For the owners of *Tuzex* vouchers, this business is a source of unearned income.

We have a third group made of ordinary citizens, who are entirely dependent on the domestic market. Here, alongside the domestic market, there exists a parallel market [the black market] with other prices and means of payment, and whose reach is continually widening. It is a source of unearned income and emphatically demonstrates our divorce from price indices and the limits of our assortments of goods. . . .

With the backwardness of our technology in the world context there grew demand for quality machines, including radios, tape-recorders, televisions and, obviously, also computers and cars. With this growing demand, the exchange rate of *Tuzex* crowns increased. In 1988 *Tuzex* began to sell fifteen types of goods even for crowns, but with the exchange rate of one *Tuzex* crown for six domestic crowns. This

was the lowest exchange rate for a *Tuzex* crown. The range of goods sold for crowns is supposed to continually grow, as are services at *Tuzex*.

*Tuzex* vividly shows the backwardness of our economy and it is no way to escape destitution. Analogous institutions exist in the other socialist countries. They have the goal of acquiring all available hard currency. It doesn't matter that these methods are in their nature anti-socialist, for they go against the main principle of "to each according to his deserts." The best worker, unless he works abroad, lacks the possibility of shopping at *Tuzex*, so for him this slogan is a mere phrase.

No less that 100 million dollars of pure profit at *Tuzex* in 1988 shows that money doesn't stink (especially hard currency) and that the end justifies the means. Even real-socialist morals and ideology respects and honors this.

In view of the situation in our economy, the closing of *Tuzex* is not on the horizon. On the contrary, its further growth is anticipated. We will not cook the chicken who lays the golden egg, even when all around itself it leaves filth and spreads a colony of parasites.

*Source:*

Rudolf Zupal, "Tuzex," trans. Cathleen M. Giustino, *Lidové noviny*, March 1989, v.2, no. 3, 8.