

capitalist companies on the Soviet domestic market. These conditions, however, are currently lacking. For example, a Finnish businessman can buy everything he needs to develop his own company's production with the money he receives from the sale of paper products. Soviet pulp-and-paper firms do not have the same opportunities.

There may be objections that we have nothing to be concerned about when the overall indices for production and exports are quite good: we export more than we import - in total volume. However, the consumer does not simply need pulp, paper or cardboard. He is interested in particular types, brands, and sizes of products with given standards of quality. If we look at the problem through his eyes, we discover that we have dozens of pulp-and-paper exports, but Soviet imports in this area are numbered in the hundreds.

We also have other reserves from the redistribution of funds by our subcontractors: the consumers of paper. After prices were raised for wood and paper, the prices of newspapers, magazines, and books were also increased. The publishing houses benefitted greatly from this. For instance, Khudozhestvennaya literatura (Belles-Lettres) which is administered by the USSR State Publishing Committee, is now a highly profitable venture. The profit margin for books is 280%, for magazines it is at least 30%, and for serial novels (published on newsprint, incidentally) it is 600%. Yet paper manufacturers have a profit margin of only 25%, at best.

The profit margin of such magazines as Ogonyok, Yunost, Smena, Sovetsky ekran, Krestyanka, and Rabotnitsa published by "Pravda" Press, of the