

establish here the "Ustyugles" Association with its 70 officials and an annual wage fund for them of 300,000 rubles? To produce memos and regulations? Meanwhile there is a need for more shops and areas for the production of wood panelling. Raw material for plywood is also available in this region in considerable quantity. Yet only one per cent of it can be utilized by the "Novator" (Innovator) plywood combine. And where should the rest of it go? The plan is to send it to a joint Soviet-Finnish venture which is being established in the Novgorod region. But is this a profitable set up for the Vologda oblast? They say that a cubic metre of raw material will be sold for as much as 40 rubles in hard currency. However a cubic metre of plywood is five times more expensive! For how much longer are the Vologda people thinking of remaining a raw material appendage of the other regions? Isn't it about time for them to get involved in woodworking themselves?

It seems that such a slow pace is in many respects due to a lack of appreciation of the role played by progressive forms of management. Such forms as leasing and cooperatives. Yet people acquire an entirely new psychology with the transition to these practices: a business-like approach to accounting is developed, the demand is researched and the quality of production gets better. A case in point is the Tuapse forestry enterprise (leskhoz) which was literally transformed when it switched over to leasehold agreements. Here woodcutters are paid not according to the number of trees cut down but according to the amount of timber actually sold. Despite less woodcutting recently, profits have actually increased. All because the word "waste" was thrown out of the people's vocabulary here; everything is being utilized. And what consumer goods are being produced