However, the fact that over one hundred of the West's best corporations and banks maintain offices in Moscow is testimony to the fact that properly-marketed goods and services can translate into profitable business. The objective of the following checklist is to provide Canadian exporters and government trade-oriented personnel with a synopsis of do's and don't's in the unique, often mystifying, Soviet market.

Introduction to the USSR Market

1. In a centrally-planned economy the first step in evaluating whether a particular Canadian product fits the market is to become familiar with the Five-Year plan. The USSR's 1986-1990 plan highlights key weaknesses which require correction, often with sophisticated goods from the West. Market potential theoretically exists if a particular hard currency product contributes to the solution of any of the following economic problems:

    (a) A dwindling labour supply and slowdown in work force growth at a time when labour productivity is disproportionately low by industrialized countries' standards.

    (b) Relatively low level of automation and increasing need to use resources more effectively with less waste (i.e. less material for each unit of production). Main labour shortages are in construction, transport and light food industries with low levels of mechanization in agriculture and the network of transportation/warehousing which is stretched to the breaking point.

    (c) Slowness in ensuring the swift and effective transfer of new scientific ideas from conception to broad application and commercialization.

    (d) Rising cost in extraction of raw materials such as oil/gas, minerals, coal, and forest products from increasingly remote and inhospitable Arctic and Siberian regions in difficult cold weather conditions similar to those found in Canada. Geological exploration/drilling equipment and mining machinery are backward.

    (e) Need to modernize existing production facilities and raise the technical quality and reliability of export products such as machinery (including