

mobility and the capacity to react quickly to demand. Secondly, they are built within shorter time frames and do not pollute as heavily. Also, it is simpler to administer a smaller number of employees and easier to provide the incentives needed for a greater degree of worker interest in the end results of production. Added to this, a branching network of small enterprises makes it possible to get rid of monopolistic tendencies in the output of certain types of products, thereby reducing the economic pressure on the market as a whole. The creation of such enterprises is based on use of the most modern and sophisticated technology, which ensures that the output will be of a high quality and production is carried out efficiently.

Recently, interest has been expressed in our country in the creation of such enterprises. In 1988 an All-Union conference was held in Tallin on the question of making rational comparisons between large, medium-sized and small enterprises in the national economy. The subject of small enterprise development was also discussed in November 1989 at a session of the USSR Council of Ministers. A Union of Small State Enterprises was formed. However, in the pulp and paper industry the attitude towards small enterprises is still in need of improvement even though substantial reserve capacities are inherent in them as well as opportunities to obtain additional volumes of paper in short supply in the European part of the country.

We all know about the millions of cubic metres of decaying, unused timber in the forests of such inhabited regions as the Novgorod, Pskov, Ryazan', Smolensk, Yaroslavl', Moscow, Kalinin and Kostroma oblasts. What is not realized, however, is that in those regions not a single pulp and paper mill is left which would be capable of converting locally available low-grade timber, chips and waste paper into semi-fabricated products. Furthermore, pulp production at the Kondrovo and Okulovka combines was discontinued and a number of other enterprises were also closed. Consequently, despite the existence of a very large growing stock, the production of pulp in our country is hardly increasing at all.