

obviously had an effect on external trading activity. The world situation in the timber market was unstable and prices continued to fall until 1986. However, the results of the activities of our main competitors show that they managed to adapt their timber export production to the changing market conditions and maintain a progressive expansion of their sales. For example, in Sweden, earnings from exports of timber products increased from 4.3 to 5.8 billion roubles, or by 35 per cent (the amount of wood consumed in order to generate these exports increased by 14 per cent), and in Finland they increased from 4.3 to 5 billion roubles (without any increase in consumption of raw material).

These countries are now concentrating mainly on delivering quality products drawn from an improved range of goods, are increasing the proportion in their exports of expensive, thoroughly processed products, and are striving to make maximum use of the advantages they enjoy on the international market from controlling the especially valuable narrow-ring softwood resources of the northern latitudes. And this approach is bringing them success in the intensifying competitive struggle.

It has turned out that the cheaper a product is, the greater the USSR's share in shipments of it to world markets. In the case of cheap pulpwood, for which the buyer pays 20 roubles per cubic metre, our share in world trade amounts to 40 per cent. For saw timber, which is twice as expensive, our share is 15 per cent; for lumber, a cubic metre of which already brings in more than 80 roubles, it is 10 per cent; and for plywood and pulp-and-paper products it is not more than 3-5 per cent.