

There is one other salient factor. The Supreme Soviet of the Karelian ASSR recently adopted a resolution stating, "When drawing up plans for 1991, directors of associations and enterprises must provide for the channelling of ten per cent of their output into the republic's exchange fund". To be exchanged for meat, milk vegetables, fruits, clothing and footwear.

But the "Karellesprom" (Karelian Timber Industry) Association, of which the Kondopoga PPC is a part, issued yet another directive: "Taking into consideration the situation in the State system of material and technical supply and the change over to a market - type economy. We consider it necessary for all subordinate enterprises to anticipate the setting aside of a further ten per cent of their output for exchange operations to meet their own needs".

Indeed, life is forcing us to exchange just about everything. For example, in the matter of the enormous complex of operations associated with the commissioning of the aforementioned tenth papermaking machine at the Kondopoga PPC, the State does not guarantee that it will be fully supplied with the building materials, cement, pipes, cable products, power generating equipment and timber, nor is it allocating funds for reconstruction and new building activities. This means that willy-nilly you will be searching for advantageous deals and will be turned into a money-changer.

There can be no doubt at all that combines planning the commissioning of new production capacities are finding themselves in a difficult situation. "We are living on bank credits and are up to our eyes in debt", say the directors of the Balakhna PPC. The need for funds is so pressing that the combines are gladly responding to a proposal about financial collaboration and are holding talks concerning the guaranteed supplying of paper to those consumers who will invest money in their development.