

from the Ministry. In fact, not a single representative from the issuing agency, the newspaper, was there at all. The organizers of the meeting explained that they had simply forgotten to invite them but another version ran that they had simply not been able to come. At this point we should mention the important role morale plays in the socialist competition.

The situation with material incentives is not that much better. The first prize is a comparatively small sum - just 15,000 roubles. If you consider that each of the enterprises employs about 2,000 people and if you compare this sum with the millions of roubles of profits the combines bring in, it becomes quite obvious: there won't really be much of a battle for the prize. But everyone is still expected to make a big fuss over it.

"Perhaps then it might be a good idea to do away with the competition altogether," I suggested.

"No," Stepanov replied. "The competition opens up a number of possibilities which we don't dare do without. The existing form of sharing and meeting with our competitors helps maintain solid, mutually beneficial contacts among the enterprises. If the competition were to end we would be more cut off from each other. The atmosphere of mutual assistance and support, which currently helps all three combines in their operations, would gradually disappear..."

The Deputy Director illustrated his point with the following example. At the end of 1987 the Balakhna Combine was severely let down by its suppliers. There was no wood raw material. All the plan targets were endangered. The consumer