

consideration the fact that as of this year there has been a halt in the crediting of these enterprises with centralized funds designated for the purchase of imported spare parts, chemicals, and necessary materials and equipment, and also the fact that the publishing houses are not in any position to offer all of this in exchange for paper, the industry has been compelled to use the remaining 5 percent in material exchange transactions with foreign and other organizations and enterprises.

In order to get out of the existing situation it is necessary firstly, to purchase the quantities of paper that we are lacking this year from foreign sources, and secondly, to decrease paper exports, raise the prices for newsprint and regulate publishing of various newsletters produced by the informal, unregistered organizations (neformaly) and cooperatives that have emerged in the USSR as a result of glasnost.

However the most important thing is, of course, to develop the pulp and paper industry. In fact, of the 157 operative enterprises only 25 have been placed in service since 1960. Up to 65 percent of the production plant has depreciated by the full 100 percent. Besides that, enterprises operating with outdated equipment and technology do not satisfy the requirements of the USSR's environmental protection legislation and, due to protests on the part of public, will have to be closed down...

Meanwhile, no new production capacities are being built. Not a single pulp mill has been brought on line during the last 10 years. As a rule, capital investments for the duration of the Five-Year Plan amounted to approximately 3 billion rubles. For purposes of comparison I would note that in the USA 11 million dollars were spent for the same purpose in 1988 alone.