



DECLARATION ON EAST-WEST RELATIONS

1. We, the leaders of our seven countries and the representatives of the European Community, reaffirm the universal and supreme importance which we attach to freedom, democracy and the promotion of human rights.

2. We see signs of this same desire for greater freedom and democracy in the East. The people there, including the young people, are reasserting these values and calling for a pluralist democratic society. Some of their leaders are aware of the positive contribution that greater freedom and democracy can make to the modernisation of their countries and are starting to make changes to their laws, practices and institutions. Others are still endeavouring to resist this movement by taking repressive measures which we strongly condemn.

3. We hope that freedom will be broadened and democracy strengthened and that they will form the basis, after decades of military confrontation, ideological antagonism and mistrust,

for increased dialogue and cooperation. We welcome the reforms underway and the prospects of lessening the division of Europe.

4. We call upon the Soviet Government to translate its new policies and pronouncements into further concrete action at home and abroad. Military imbalances favouring the Soviet Union, both in Europe and in Asia, remain an objective threat to each of us. Our Governments must therefore continue to be vigilant and maintain the strength of our countries. For the foreseeable future, there is no alternative for each of us, within existing alliances, to maintaining a strategy of deterrence based upon an appropriate mix of adequate and effective nuclear and conventional forces. In order to hasten the advent of a world in which the weight of arms and military strength is reduced, we recommit ourselves to the urgent pursuit of a global ban on chemical weapons, a conventional forces balance in Europe at the lowest possible level consistent with our security requirements, and a substantial reduction in Soviet and American strategic nuclear arms.

5. We offer the countries of the East the opportunity to develop balanced economic cooperation on a sound commercial basis consistent with the security interests of each of our countries and with the general principles of international trade. We have noted developments of relations between the EEC and countries of the East, in particular the conclusion of an agreement with Hungary, the progress already achieved during

the current discussions with Poland and the opening of negotiations with the Soviet Union.

6. We welcome the process of reform underway in Poland and Hungary. We recognize that the political changes taking place in these countries will be difficult to sustain without economic progress. Each of us is prepared to support this process and to consider, as appropriate and in a coordinated fashion, economic assistance aimed at transforming and opening their economies in a durable manner. We believe that each of us should direct our assistance to these countries so as to sustain the momentum of reform through inward investment, joint ventures, transfer of managerial skills, professional training and other ventures which would help develop a more competitive economy.

Each of us is developing concrete initiatives designed to encourage economic reforms, to promote more competitive economies and to provide new opportunities for trade.

We agreed to work along with other interested countries and multilateral institutions to concert support for the process of reform underway in Hungary and Poland, in order to make our measures of support more effective and mutually reinforcing. We will encourage further creative efforts by interested governments and the public and private sectors in support of the reform process.

Concerning concerted support for reform in Poland and Hungary, we call for a meeting with all interested countries

which will take place in the next few weeks. We underline, for Poland, the urgent need for food in present circumstances.

To these ends, we ask the Commission of the European Communities to take the necessary initiatives in agreement with the other Member States of the Community, and to associate, besides the Summit participants, all interested countries.

* 7. We are in favour of an early conclusion of the negotiations between the IMF and Poland. The strengthened debt strategy is applicable to Poland, provided it meets the conditions. We are ready to support in the Paris Club the rescheduling of Polish debt expeditiously and in a flexible and forthcoming manner.

8. We see good opportunities for the countries of West and East to work together to find just solutions to conflicts around the world, to fight against under-development, to safeguard the resources and the environment and to build a freer and more open world.

July 15, 1989

Poland
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Brady Plan