

4. Our countries have made a decisive contribution to the progress of liberalization and globalization. We must do our best to ensure that this process fully responds to the hopes it has aroused and that globalization serves the interest of people, their jobs and their quality of life. The potential benefits of the process for people must be translated into real opportunities in our own societies and in the poorer countries of the world. In an increasingly interdependent world we must all recognize that we have an interest in spreading the benefits of economic growth as widely as possible and in diminishing the risk either of excluding individuals or groups in our own economies or of excluding certain countries or regions from the benefits of globalization.

5. This requires increased international cooperation. The adaptation of our international institutional structures; liberalization of markets, fair rules and their extension to new players; the capacity to respond to crises of varying scale and nature, as well as a readiness to support the efforts of those countries striving to escape from the miseries of economic underdevelopment will be necessary for future progress. We call upon other countries with the financial capacity and a stake in the international trade and monetary system to join us in these efforts so as to share the responsibilities and the burdens fairly among ourselves and with others. We will thus be able to make a success of globalization for the benefit of all.

I. Strengthening Economic and Monetary Cooperation

6. Growing international economic interdependence unquestionably holds out new opportunities for the entire global community. At the same time, it adds to our collective responsibilities and the need for more effective cooperation among our countries to face new challenges.

7. Since we met in Halifax, economic developments have been on the whole positive and disparities of economic performance among us have been narrowing. Canada and United States continue to enjoy sustained non-inflationary growth. In Japan, the recovery is gathering strength. Some European countries, admittedly, experienced a slowdown, but economic fundamentals are improving and we are confident that growth will pick up in the second half of the year.

Looking ahead, the economic fundamentals remain sound and well oriented: inflation has settled at a low level, the interest rates have come down substantially, reaching historically low levels in some of our countries and external and internal imbalances have been substantially reduced. However, we recognize that some difficulties still lie ahead: public deficits and debt remain