

ASSURING A BASE FOR DEMOCRACY AND PEACE

a. The OECD Core of a New Economic Order

The overriding goal in assuring security is to create a climate in which prosperity, human rights and democratic freedoms can flourish in the new Europe — a goal that is now substantially assured in western Europe, but suddenly must be extended throughout central and eastern Europe, where these questions hang dangerously in the balance. If these objectives are not advanced both for the former Soviet empire, and for the Third World, western Europe and North America will face growing disruption and deterioration from the unmanageable movements of people and the proliferation of conventional and unconventional security threats.

We should assume that the vital long-term means of achieving the basic objectives of improving welfare and stability will be through open economic, functional and human cooperation. The institutions of the world market economy — the GATT, the IMF, and the World Bank — must set the economic rules for the integration of new partners into what should ultimately become a wider “security community”.⁷ In the expanded European region, the EC should undoubtedly be the principal motor of growth and prosperity, but we should never forget that no foreigner can ever develop another country.

The outside world can and must provide fair, open, market opportunities, technical assistance, and capital for soundly-based investments to the states of central Europe. Some emergency transitional assistance will also be necessary, but long-term development will only come from within, and from the ground up. The rules of the international market economy will do much to dictate the economic parameters within which our former adversary countries will work, but these international rules will not magically generate the internal economic structures, work habits, and expectations of a modern market economy. Nor will the hope of eventual integration into the wider international community of democracies by itself enable all the newly-freed and newly-created states of the former Eurasian empire of the Soviet Union to manage smoothly the intensely difficult transition to democracy and respect for individual and minority rights. The transition to democracy and tolerance is doubly difficult in conditions of extreme economic adversity, where the pie of prosperity and opportunity is smaller and less easy to divide.