

New independent States of the former Soviet Union

30. The far-reaching changes in the former Soviet Union offer an historic opportunity to make the world a better place: more secure, more democratic and more prosperous. Under President Yeltsin's leadership the Russian government has embarked on a difficult reform process. We look forward to our meeting with him to discuss our cooperation in support of these reforms. We are prepared to work with the leaders of all new States pursuing reforms. The success is in the interest of the international community.
31. We are aware that the transition will involve painful adjustments. We offer the new States our help for their self-help. Our cooperation will be comprehensive and will be tailored to their reform progress and internationally responsible behaviour, including further reductions in military spending and fulfilment of obligations already undertaken.
32. We encourage the new States to adopt sound economic policies, above all by bringing down budget deficits and inflation. Working with the IMF can bring experience to this task and lend credibility to the efforts being made. Macroeconomic stabilisation should not be delayed. It will only succeed if at the same time the building blocks of a market economy are also put into place, through privatisation, land reform, measures to promote investment and competition and appropriate social safeguards for the population.
33. Creditworthiness and the establishment of a dependable legal framework are essential if private investors are to be attracted. The creditworthiness of the new States will in particular be assessed by the way in which they discharge their financial obligations.
34. Private capital and entrepreneurial commitment must play a decisive and increasing part in economic reconstruction. We urge the new States to develop an efficient private business sector, in particular the body of small and medium-sized private companies which is indispensable for a market economy.
35. Rapid progress is particularly urgent and attainable in two sectors: agriculture and energy. These sectors are of decisive importance in improving the supply situation and increasing foreign exchange revenue. Trade and industry in our countries are prepared to cooperate. Valuable time has already been lost because barriers to investment remain in place. For energy, we note the importance of the European Energy Charter for encouraging production and ensuring the security of supply. We urge rapid conclusion of the preparatory work.