

- and the heavy burden of international debt which threatens international financial stability and domestic social stability at the same time.

This is the new international security agenda. These are the issues where our efforts must now be focused. It is our ability to manage these issues which will form the basis for the judgement of history on our collective statesmanship.

But this is not simply a question of remaking the international agenda. It is also a question of defining new approaches to common problems. In the past, nations had a choice: to go it alone or to go together with others. Unilateralism was a reasonable choice, at least for the powerful. For so many of the issues now before us, unilateralism won't work. National solutions alone won't work. Problems can only be addressed collectively and cooperatively.

This hemisphere provides a vivid example of both the opportunities and challenges confronting us. The global problems I have outlined are present in our region, sometimes poignantly and to a greater extent than elsewhere. But so too are the hopeful trends, the welcome embrace of democracy, the widening acceptance of the free market, and the reduction in regional tensions.

The need for multilateral institutions which work has never been greater in this hemisphere. This bank is an important part of the multilateral system in our region. It is incumbent upon us as Governors to ensure that our institution becomes even more relevant in facing the problems now before us and capitalizing on the real opportunities for concrete progress. This institution cannot afford inertia. We must not drift. We Governors who have the political obligation to ensure action must assume a leadership role and help the Bank move forward.

Governors, distinguished Guests, the Inter-American Development Bank is a focal point for the development of the region as we move into a new decade. The raw material at our disposal has been increased by the 7th General Resource Increase. The High-Level Task Force on Reform and Renewal has given the Bank a new frame of reference. The Bank received its new guidelines a year ago in Amsterdam and is now firmly on a course of renewal. We must ensure that the valuable work done thus far is not lost and that we act to implement that work in practical and realistic ways on a day-to-day basis.