

Asia is also a region of many contrasts. The dynamic progress noted above is juxtaposed against the high level of poverty and very difficult development problems of many countries in the region. Some 500 million of the world's poor live in Asia.

In the decade ahead, our challenge is to build the regional and sub-regional mechanisms of co-operation to foster this growth and development, and to curb the inevitable tensions which result. We must ensure these institutions contribute to building bridges of dialogue and understanding within the international community. In a multipolar world, a commitment to multilateralism by all is even more essential than it was in the bipolar world we have left behind.

Asia already has, of course, a number of dynamic and well-functioning consultative mechanisms. Canada maintains a very active dialogue with the Association of South East Asian Nations (ASEAN) and is a proud and committed member of the Asia Pacific Economic Co-operation (APEC) forum. These remarkable institutions have done much to stimulate co-operation and dialogue within Asia and across the Pacific.

We applaud and encourage Asia's ever-expanding "habit of dialogue," and Canada's proposal for a North Pacific Co-operative Security Dialogue seeks to add another dimension to this dialogue and foster long-term stability.

The future security of Asia depends to a large extent on co-operative efforts to deal with challenges which can endanger regional and national stability -- challenges such as environmental degradation, pollution, poverty, good governance and civil unrest. In this, the Asian Development Bank has a crucial role to play.

If we look at the immediate challenges facing the Bank -- and bearing in mind that our response to the present must be in the context of our long-term perspective and strategy -- there are four concerns which stand out.

The first is how Asia can maintain its record of high growth in the face of an economic slow down in the Organization for Economic Co-operation and Development (OECD) countries and uncertain prospects in Latin America and Eastern Europe.

In countries that are struggling to retain or restore a stable economic base, the Bank must help bridge the resource gap, while supporting long-term economic reforms. Increased reliance on market mechanisms, stimulation of enterprise and investment, expansion of external trade and, as necessary, de-regulation of the economy or privatisation of state-owned corporations are all important components.