tions might form a consortium, aided possibly by ADB financing, to initiate and manage a common civilian air or sea transport system, or to promote an international deep-sea fishing fleet. As Asia continues to mature and consolidate as a homogeneous regional unit, removing many of the existing national barriers to concerted economic energies, the multi-national industrial project should play an increasingly vital and meaningful role in the scheme of development. It boasts the advantages of eliminating needless duplication of limited capital investment, realizing measurable economies of scale, and employing the already scarce commodity of technical assistance most profitably.

I have outlined above several approaches to the economic development of the region. This is not to say that, from the viewpoint of Asian Development Bank policy, they are the only projects on which we are disposed to concentrate our efforts. However, I have highlighted them for two reasons:

1) They represent realistic solutions to economic problems; in the past, nations of this region have been wont to undertake prestige projects, such as the development of heavy industry, which demand vast capital outlays and produce no appreciable benefits to a developing country for many years. It seems to me that the countries which have endorsed the more realistic approaches are better able to cope with their immediate income needs and can more easily finance the transition to a well-balanced economy, which eventually includes the prestigious heavy industry,
2) Those type of projects, since they do not require substantial capital resources, are particularly well-suited to the "ordinary capital resources" of the Asian Development Bank; since we are limited to loans of a reasonable amount for the time being, we must consider the project which, although regional or sub-regional in scope, is not insatiable in its thirst for funds. Either the development of a new kind of seed, investment in basic or applied research, or the multi-national industrial project could provide suitable subjects for ADB investment.

However, the point has been emphasized, and is well-taken, that a major segment of development, particularly agriculture and infrastructure expenditures, cannot sustain conventional debt financing. Such projects cannot shoulder the burden of debt servicing imposed by conventional interest rates, and neither can they expect to pay down a loan in line with conventional maturities. It is further apparent that the 10 per cent of the ADB's "ordinary