

the domestic consumer market. In the absence of a prosperous domestic market, infant industries are hampered by the lack of revenues needed for refinement of their methods of production, and cannot hope to achieve the economies of scale to enable them to compete internationally. As well, insufficient agricultural production interrupts the flow of raw materials to established agricultural output-processing industries. In the light of these facts, it becomes more readily apparent that, not only regional food requirements, but the ultimate aim of diversifying Asia's economies, presupposes the immediate increase of agricultural production.

The Asian Development Bank, has, therefore, determined that its initial contribution to the region should be in the area of agricultural development. Toward this end, the Bank, in July, commissioned the Asian Agricultural Survey, combining the agricultural specialists on its own staff with a team of international experts. This Survey is designed to be "action-oriented", endowing the Bank with an accurate and up-to-date body of information, designed to function as a frame of reference for the Bank's future activities in the field of agricultural development. The findings and conclusions of the Survey are expected to assist the Bank in disbursing its existing "ordinary capital resources", which, this month, will be increased to nearly \$200 million, and also to pave the way for the effective utilization of special funds which will be forthcoming in the future.

I have mentioned the Asian Agricultural Survey at this time, partly because it marks the first concrete step taken by the ADB. But more importantly, because it represents a tangible outgrowth of what I have so frequently referred to this afternoon as "development diplomacy". The question before us is not from which sector the stimulus for development should spring, whether it should be foreign or domestic, government or private; neither is it a matter of choosing between agricultural and industrial development. There is no single area of emphasis, no one alternative, which can resolve all the problems. The vast magnitude of the task necessitates a consolidated effort from all quarters, and demands that no potential source of assistance be left untapped. In addition, successful economic development requires the simultaneous attention, to whatever extent practicable, to all phases of development.

I have no doubt that the international institution is destined to play an increasingly vital role in the economic development of this region. Yet, the contribution of the Asian Development Bank, or of any other international institution, will amount to no