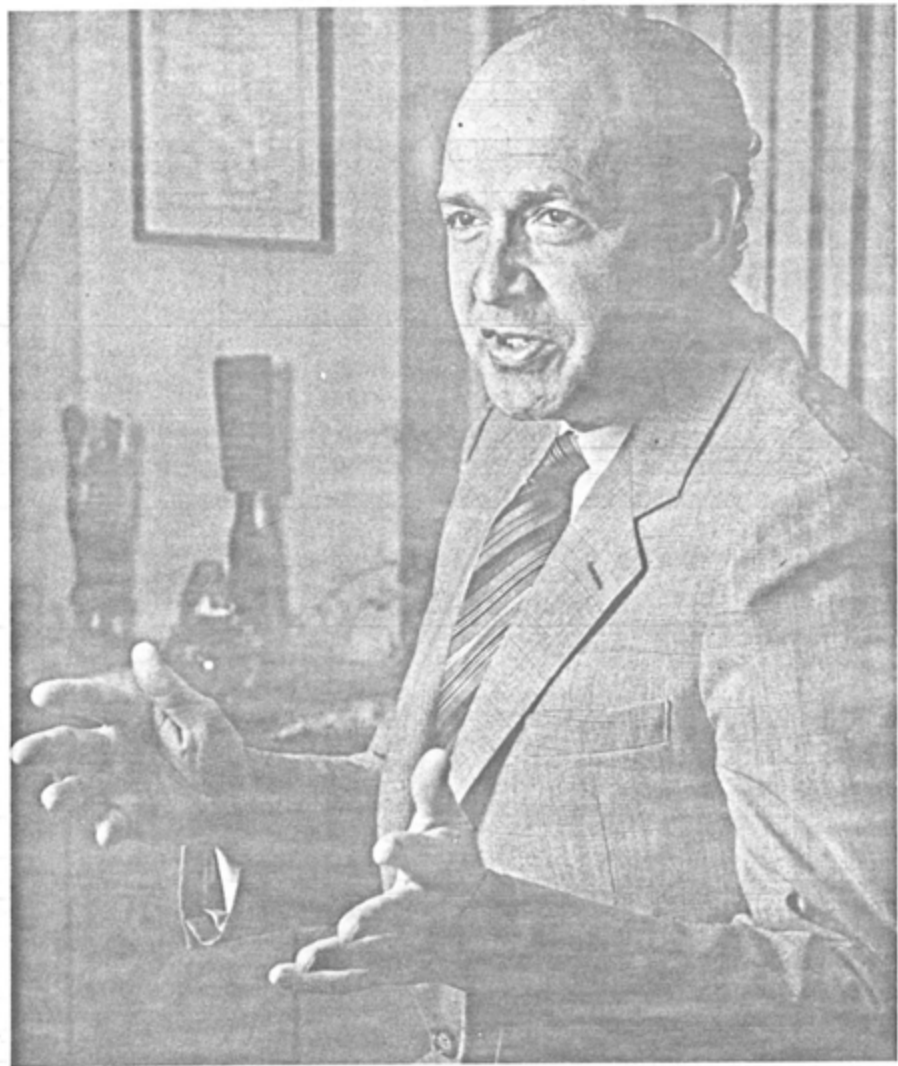


Rotberg to bankers: Don't expect LDC debt repayment



David Hathcox

World Bank's Rotberg: Lenders shouldn't kid themselves

"Never say never," World Bank treasurer Eugene Rotberg seems to be saying. Still, he cautions commercial lenders not to expect to be repaid the principal owed them by most developing countries. Any such payments, he notes, could come only at the expense of growth in the LDCs, which he

says would create "serious political instability" and throttle growth in the rest of the world as well. Is there any good news? Outstanding loans will continue to be profitable, concedes Rotberg, as long as interest is paid — but that wouldn't exactly be conducive to growth, either.