

World Bank warns of more unemployment in 2010

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The World Bank chief has predicted another tough year for the global economy, impending large-scale unemployment for wealthy nations.

Robert Zoellick on Friday outlined a list of potential drawbacks to a business forum held on the sidelines of an Asia-Pacific summit in Singapore.

Zoellick said that next year "is the year I am more concerned about."

He added that continuing high levels of unemployment, particularly in developed nations, would create second-wave effects for banks including defaults on consumer loans, credit cards and mortgages.

The US consumer, who has been the savior in previous downturns, can no longer be relied upon to drag the global economy out of the doldrums by returning to enthusiastic spending, he said.

"In this environment the US consumer is deleveraging, building savings. He or she is not going to play the role that they played in the past," he said, adding that the onus was now on the developing world.

<http://www.presstv.ir/detail.aspx?id=111182§ionid=3510213>