

World Bank Sees Debt Crisis Risk

By [The Moscow Times](#)

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Russia may face a debt crisis similar to the one gripping Greece by 2030 unless the government reduces spending, said Sergei Ulatov, the resident World Bank economist in Moscow.

"By 2030 the debt level would be unsustainable like in Greece" if nothing changes, Ulatov said in an interview during the Russia and CIS Capital Markets Forum organized by Euromoney in London on Thursday. "Right now, we are mostly helped by oil prices and not by a very prudent macroeconomic policy."

Oil prices tumbled to the lowest level in four months Thursday after the International Energy Agency said its members would release crude from strategic reserves.

By 2015, Russia won't be able to cover the shortfall in the pension fund even if oil stays at the current breakeven level of \$115, Ulatov said.

Big infrastructure projects including hosting the 2014 Winter Olympics in Sochi and 2018

World Cup will create an additional burden for the budget, according to the economist.

"They will have to borrow," he said. "They do have this capacity now, but for how long?"

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