

A woman wearing a red headscarf and a white face mask is holding a large Lebanese flag. The flag features a red triangle at the top with a white cedar tree, a white triangle in the middle with a red cedar tree, and a red triangle at the bottom with a white cedar tree. The background is a blurred city street.

Lebanon: One of the world's highest debt-to-GDP ratios



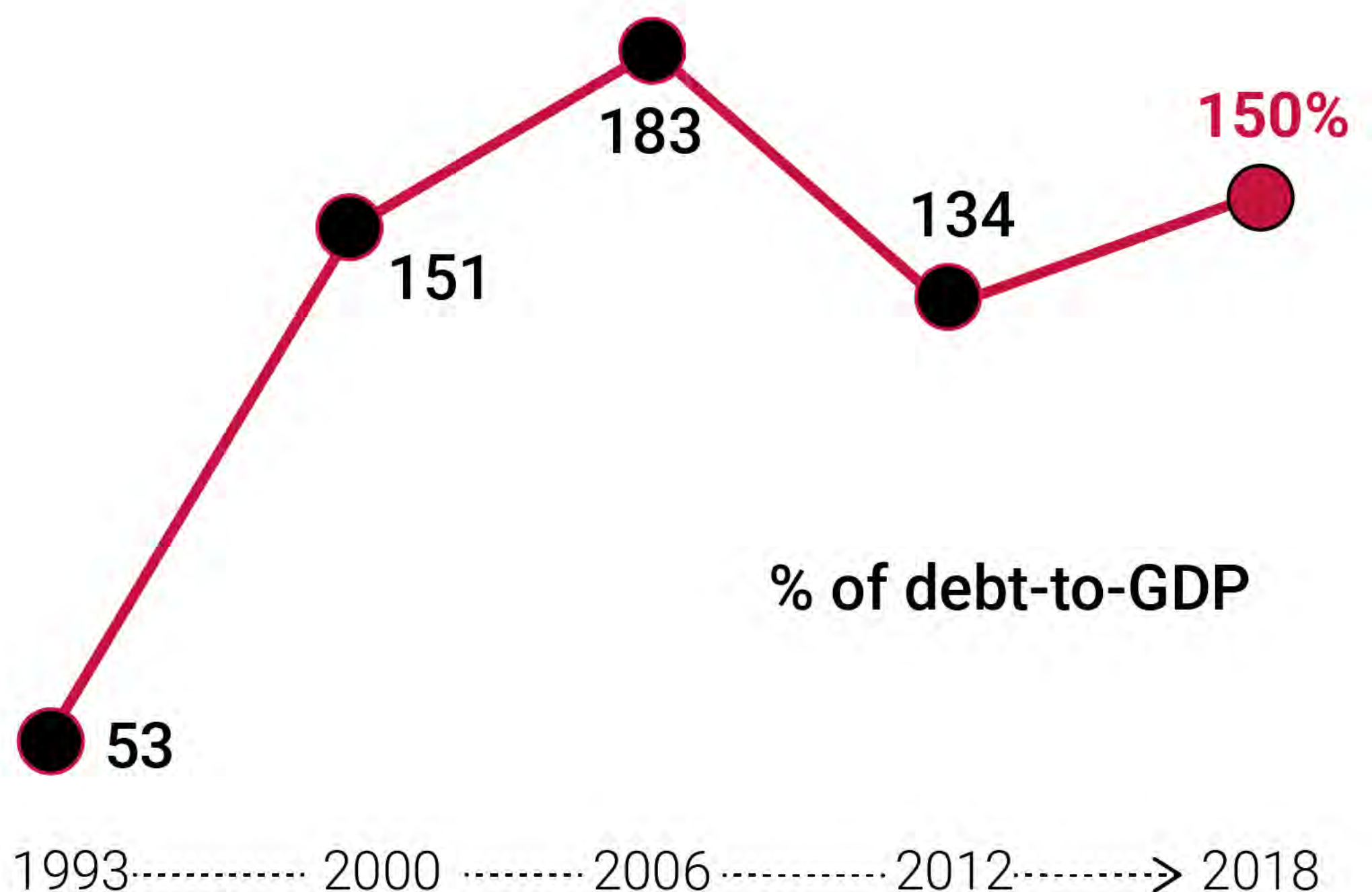
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Arab NGO Network
for Development

شبكة المنظمات العربية
غير الحكومية للتنمية



Lebanon's public debt skyrocketed from **\$2.9B** in 1992 to **\$85B** in 2018, with debt-to-GDP exceeding **150%**—among the world's highest.



The fixed peg (1,507 LBP/USD) created false stability. After 2019, the currency **lost over 90% of its value**, destroying purchasing power.



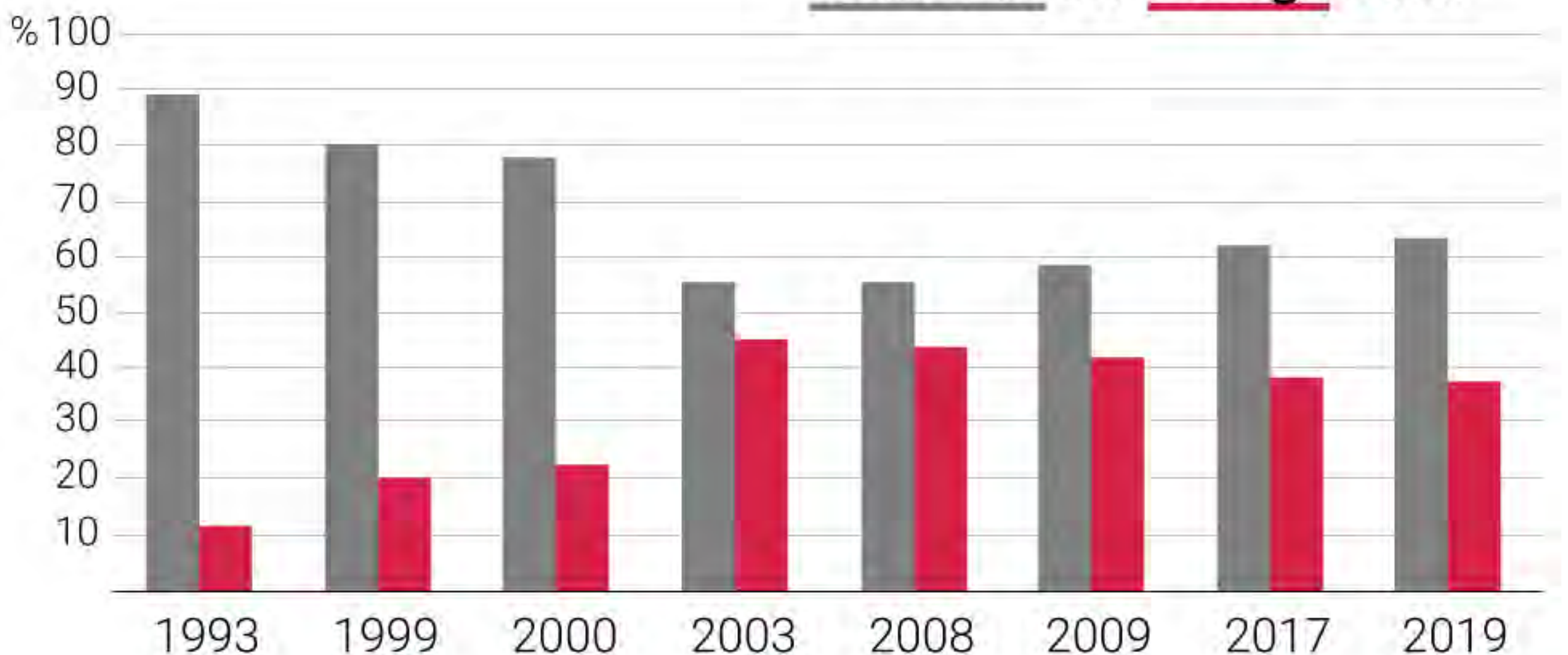


**The banking sector's collapse
wiped out savings. By 2022,
over **50%** of the population fell
below the poverty line.**



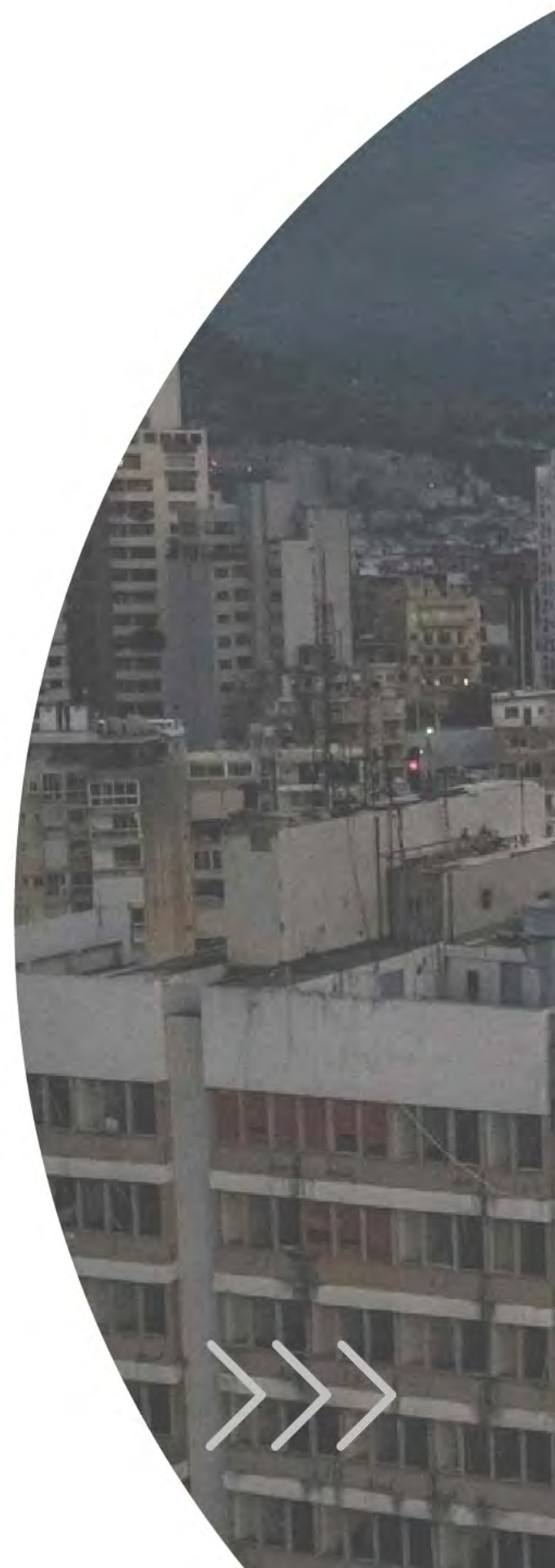
Local banks and the central bank held **37%** of Eurobonds. This blurred debt lines, complicating negotiations and recovery.

Domestic vs. Foreign Debt





**Chronic fiscal deficits,
regressive taxes, and
elite capture of state
institutions blocked
reforms and eroded
public trust for decades.**



The state subsidized bankrupt sectors like electricity, costing **3-4%** of GDP annually—more than spending on health and education combined.



Recovery requires comprehensive debt restructuring, banking sector reform, and radical governance changes. Without political will, the crisis will deepen.

