

2.3. Socio-economic situation

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2.3.1. Overview of the economic crisis since October 2019

Lebanon’s economic and financial crisis, which had been developing before October 2019, coincided with the protests that began in that month,149 and has since been compounded by political divisions and the depreciation of the national currency.150 The country’s financial system has faced significant upheaval, marked by debt defaults, inflation, and a collapsing exchange-rate framework that continue to fuel unstable macroeconomic dynamics.151 In addition, due to years of financial mismanagement and corruption, the economy was further exacerbated by the 2020 Beirut port explosion, the Covid-19 pandemic, and regional instability following the war in Gaza.152

- 149

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