



## 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,<sup>[149](#)</sup> and has since been compounded by political divisions and the depreciation of the national currency.<sup>[150](#)</sup> 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.<sup>[151](#)</sup> 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.<sup>[152](#)</sup>

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