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Billion USD	2018	2022	2023
GDP	55.3	21.4	31.6
GNI	54.2	20.5	31.5
GNDI	55.5	26.3	37.4
Consumption	57.6	26.9	36.1
Investment	12.3	7.5	7.8
Current Account	-14.4	-8.1	-6.5
Savings	-2.1	-0.6	1.3
Current Account/GDP %	-26.0	-37.8	-20.1
Savings/GDP %	-3.8	-2.8	4.1
Exchange rate LBP	1,507	30,473	87,472

Source: CAS

Around mid-October 2025, the Central Administration of Statistics (CAS) published its national accounts data for Lebanon for the years 2022 and 2023. Though late, the data is vastly welcomed, especially at a time when CAS is severely understaffed. Besides GDP, what is interesting is that the data estimate the figures for two aggregates that capture the economy's international dimension (which is highly relevant for a small country like Lebanon): Gross National Income (GNI) and Gross National Disposable Income (GNDI).

What we want to explore in this note is to use these two aggregates to derive Lebanon's current account and savings rates, something that the CAS data didn't provide.

To elaborate, first we need to define GNI and GNDI. GNI is simply GDP plus Net Factor Income (NFI), where the latter is income to and from abroad in the form of interest, wages, profits, and rent. From the table above, we see net factor income was largely negligible as GDP and GNI were more or less equal, before and after the crisis.

As to GNDI, it is equal to GNI plus Net Transfers (NT), where the latter captures both net private (remittances) and public (grants) transfers. What is interesting is that GNDI was largely the same as GDP before the crisis (around \$55 billion each in 2018), but exceeded it by around \$6 billion by 2023, GNDI being equal to \$37.4 billion against \$31.6 billion to GDP, due to higher net transfers especially grants.

What about the current account? To answer, note that:

$$(1) \quad \text{GNDI} - \text{Consumption (C)} - \text{Investment (I)} = \text{Current Account (CA)}^1$$

Where, in (1), consumption and investment cover both private and public expenditures. From (1), we can calculate the CA to be -\$14.4 billion in 2018 but this deficit improved to -\$6.5 billion in 2023². More important, in terms of GDP, the CA also got better, moving from -26% to -20.1%, because GDP improved at a larger pace than the CA deficit. But at 20.1%, the CA deficit ratio is still high due to the chronic trade deficits and the skewed structure of the Lebanese in favor of tradeables.

As interesting, note also that GNDI minus consumption is equal to national savings, since income that is not consumed is simply saved. Thus we can see that savings moved from -\$2.1 billion in 2018 to \$1.3 billion in 2023. That national savings turned positive is a very notable result, perhaps the first in Lebanon since the end of the civil war in 1990; and it primarily shows that consumption (both private and public) was hit big during the crisis year of 2023, especially for non-tradeables or services. In parallel, we can see that the savings ratio (to GDP) increased from -3.8% to 4.1% in the process.

¹ Given that: $\text{GNDI} = \text{C} + \text{I} + \text{NX} + \text{NFI} + \text{NT}$, where NX is net exports of goods and services. As $\text{NX} + \text{NFI} + \text{NT}$ is equal to CA, then: $\text{GNDI} - \text{C} - \text{I} = \text{CA}$

² The CA deficit figures derived here from CAS data for 2018, 2022, and 2023 as \$14.4 billion, \$8.1 billion, and \$6.5 billion, respectively, differ from BDL data which stood at corresponding figures of \$13.4 billion, \$7.3 billion, and \$ 5.6 billion!

Additionally, we can arrive at one last, crucial relationship. Since GNDI minus C is equal to savings (S), then (1) becomes:

$$(2) \quad S - I = CA$$

Equation (2) is simple but profound in the case of Lebanon. To wit, in 2018, the CA deficit *which is countered by net capital inflows of the same magnitude*³ (\$14.4 billion) financed both the shortage in savings (\$2.1 billion) and national investment (\$12.3 billion). But in 2023, for a crucial change, investment (\$7.8 billion) was financed by both the CA deficit (\$6.5 billion) and national savings (\$1.3 billion).

Based on the analysis and data presented above, it seems that the emerging silver lining from the Lebanese crisis is that the economy is structurally changing, in the sense that its savings is more, its CA deficit is smaller, and its investment is relatively higher (the investment ratio increased from 22.2% in 2018 to 24.7% in 2023). But it still has a long way to go – only genuine reforms (economic and politic) in private and state governance can take it there!

³ That is in the case of an ex-ante balance of payments (BOP) balance; if BOP is not balanced ex-ante, then changes in BDL reserves will balance it ex-post.

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