Comments on Lebanon’s risk of spiralling into runaway inflation in Reuters, 30 Jun 2022

Dr. Nasser Saidi’s comments appeared in the Reuters article titled “Analysis: Political and banking deadlock may plunge Lebanon deeper into crisis“, published 30th June 2022.

Comments are posted below:

If that policy carries on and the government tries to appease the population by increasing benefits and salaries for the relatively large public sector, Lebanon could spiral into runaway inflation.

“With no new revenues, increasing salaries and benefits such as transport allowance will take the country into hyperinflation,” Nasser Saidi, an economist and former vice-governor at Lebanon’s central bank, told Reuters.