On Global Debt in 2025

The Problem of Global Debt
Is there any solution?

Το Πρόβλημα του Παγκόσμιου Χρέους
Υπάρχει λύση?

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I) TOTAL Debt

TOTAL Debt =

Government Debt

+ Corporate Debt

+ Household Debt

We should measure and add all three types of debt

TOTAL Debt =

= Government Debt + Corporate Debt + Household Debt

This graphic below breaks down $315 trillion in global debt, including global GDP for context. *Data is from the Global Debt Monitor and the International Monetary Fund as of May 2024.*

Three types of Global Debt:

Three types of Global Debt:

Debt Type	**USD (Trillion)**
Household Debt	$59.10
Business Debt	$164.50
Government Debt	$91.40
Global Debt	**$315.00**
Global GDP	**$109.50**

TOTAL Debt =

a) Government Debt +

b) Corporate Debt +

c) Household Debt

GOVERNMENT DEBT

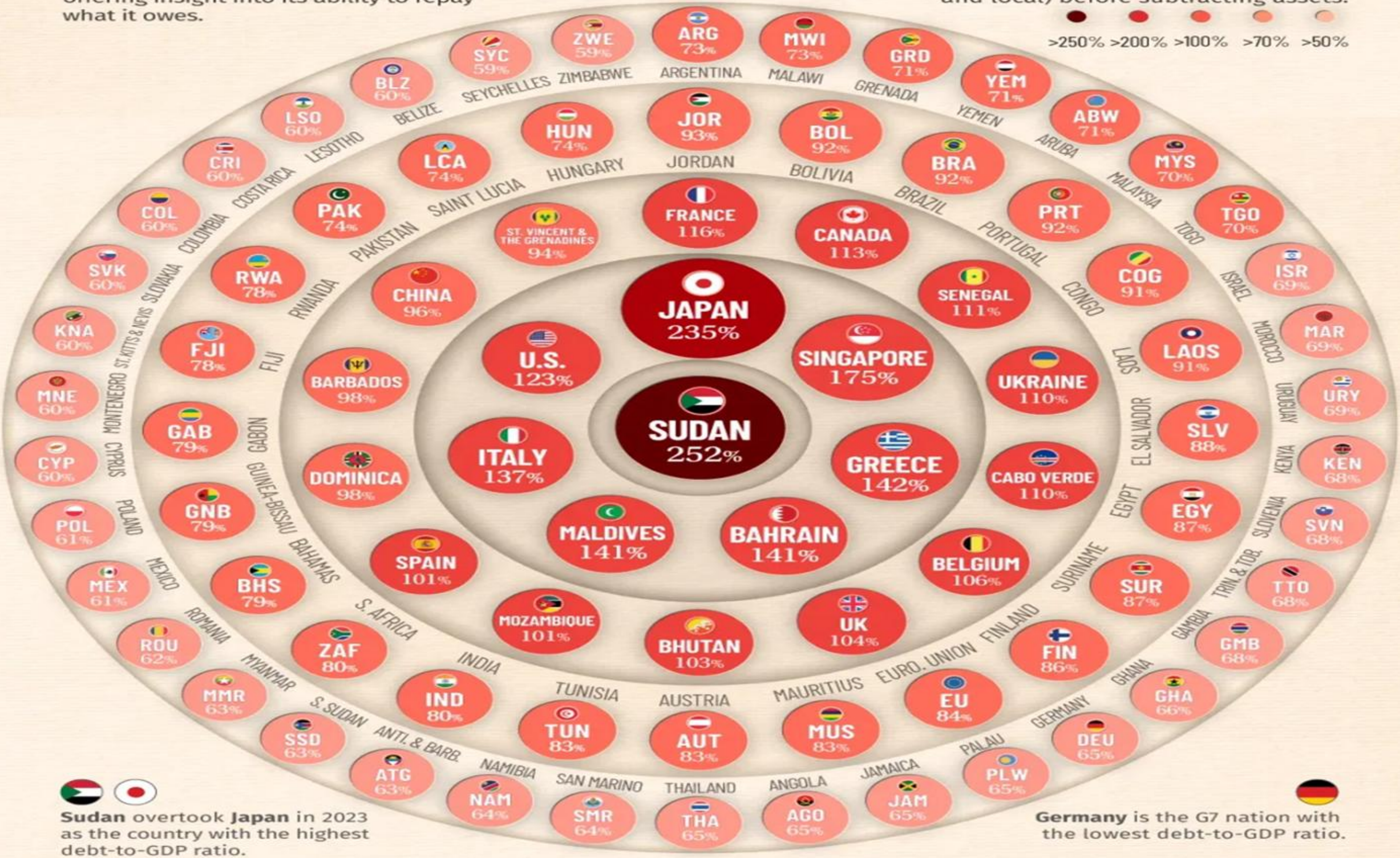
AROUND THE WORLD

The **Debt-to-GDP ratio** measures a country's debt in comparison to its economic output, offering insight into its ability to repay what it owes.

GENERAL GOVERNMENT GROSS DEBT (% OF GDP)

General government gross debt is the sum of financial liabilities at all levels (central, state, and local) before subtracting assets.

>250% >200% >100% >70% >50%



Sudan overtook **Japan** in 2023 as the country with the highest debt-to-GDP ratio.

Germany is the G7 nation with the lowest debt-to-GDP ratio.

VISUAL CAPITALIST

SOURCE: IMF World Economic Outlook (April 2025)

Key Takeaways

- **Sudan tops the list with government debt at 252% of GDP, with prolonged internal conflicts and economic instability leading to high levels of borrowing.**
- **Japan has been a long-time leader in sovereign debt due to persistent fiscal deficits and low economic growth, with its debt-to-GDP ratio sitting at 235%.**
- **The U.S. ranks 8th, with gross public debt at 123% of GDP, largely due to large-scale quantitative easing measures and continued deficit spending.**
- **Other countries with high debt levels include Singapore (175%), Greece (142%), and Italy (137%).**
- **The average debt-to-GDP ratio of advanced economies is 110%, and that of emerging markets and developing economies is 74%.**
- **Germany has the lowest debt obligations of all G7 nations at 65% of its GDP.**

Βασικά Συμπεράσματα

- Το Σουδάν βρίσκεται στην κορυφή της λίστας με δημόσιο χρέος στο 252% του ΑΕΠ, με παρατεταμένες εσωτερικές συγκρούσεις και οικονομική αστάθεια που οδηγούν σε υψηλά επίπεδα δανεισμού.
- Η Ιαπωνία κατέχει εδώ και καιρό ηγετική θέση στο δημόσιο χρέος λόγω των επίμονων δημοσιονομικών ελλειμμάτων και της χαμηλής οικονομικής ανάπτυξης, με τον λόγο χρέους προς ΑΕΠ να ανέρχεται στο 235%.
- Οι ΗΠΑ κατατάσσονται 8ες, με ακαθάριστο δημόσιο χρέος στο 123% του ΑΕΠ, κυρίως λόγω των μεγάλης κλίμακας μέτρων ποσοτικής χαλάρωσης και των συνεχιζόμενων ελλειμματικών δαπανών.
- Άλλες χώρες με υψηλά επίπεδα χρέους περιλαμβάνουν τη Σιγκαπούρη (175%), την Ελλάδα (142%) και την Ιταλία (137%).
- Ο μέσος λόγος χρέους προς ΑΕΠ των προηγμένων οικονομιών είναι 110% και αυτός των αναδυόμενων αγορών και των αναπτυσσόμενων οικονομιών είναι 74%.
- Η Γερμανία έχει τις χαμηλότερες υποχρεώσεις χρέους από όλες τις χώρες της G7, στο 65% του ΑΕΠ της.

Context

- **High public debt levels are typically a result of various factors, including aggressive monetary policies, quantitative easing, slow or negative economic growth, and public spending needs.**

- **Therefore, debt-to-GDP ratios usually balloon following periods of recessions or economic shocks, such as the 2008 Financial Crisis and the COVID-19 pandemic.**

- **While public debt can be of help during economic downturns, excessive debt carries long-term risks, including:**

  - **A higher risk of public debt default**
  - **Rising interest payments, which can crowd out public investments and expenditure**
  - **Lower investor confidence, leading to capital outflows**
  - **Currency depreciation and potential inflationary pressure**

- Τα υψηλά επίπεδα δημόσιου χρέους είναι συνήθως αποτέλεσμα διαφόρων παραγόντων, όπως επιθετικές νομισματικές πολιτικές, ποσοτική χαλάρωση, αργή ή αρνητική οικονομική ανάπτυξη και ανάγκες δημοσίων δαπανών.
- Επομένως, οι λόγοι χρέους προς ΑΕΠ συνήθως αυξάνονται δραματικά μετά από περιόδους ύφεσης ή οικονομικών σοκ, όπως η χρηματοπιστωτική κρίση του 2008 και η πανδημία COVID-19.
- Ενώ το δημόσιο χρέος μπορεί να είναι χρήσιμο κατά τη διάρκεια οικονομικών υφέσεων, το υπερβολικό χρέος ενέχει μακροπρόθεσμους κινδύνους, όπως:
  - Υψηλότερος κίνδυνος αθέτησης του δημόσιου χρέους
  - Αυξανόμενες πληρωμές τόκων, οι οποίες μπορούν να εκτοπίσουν τις δημόσιες επενδύσεις και δαπάνες
  - Μειωμένη εμπιστοσύνη των επενδυτών, που οδηγεί σε εκροές κεφαλαίων
  - Υποτίμηση του νομίσματος και πιθανές πληθωριστικές πιέσεις

Country	General government gross debt (Percent of GDP)
Sudan SD	252%
Japan JP	235%
Singapore SG	175%
Greece GR	142%
Bahrain BH	141%
Maldives MV	141%
Italy IT	137%
United States US	123%
France FR	116%
Canada CA	113%
Senegal SN	111%
Ukraine UA	110%
Cabo Verde CV	110%
Belgium BE	106%
United Kingdom GB	104%
Bhutan BT	103%
Mozambique MZ	101%
Spain ES	101%
Dominica DM	98%
Barbados BB	98%
China, People's Republic of	96%
Saint Vincent and the Grenadines VC	94%
Jordan JO	93%
Bolivia BO	92%
Brazil BR	92%
Portugal PT	92%
Congo, Republic of	91%
Lao P.D.R.	91%
El Salvador SV	88%

Suriname SR	**87%**
Finland FI	86%
European Union	84%
Mauritius MU	83%
Austria AT	83%
Tunisia TN	83%
India IN	80%
South Africa ZA	80%
Bahamas, The	79%
Guinea-Bissau GW	79%
Gabon GA	79%
Fiji FJ	78%
Rwanda RW	78%
Pakistan PK	74%
Saint Lucia LC	74%
Hungary HU	74%
Argentina AR	73%
Malawi MW	73%
Grenada GD	71%
Yemen YE	71%
Aruba AW	71%
Malaysia MY	70%
Togo TG	70%
Israel IL	69%

Morocco MA	69%
Uruguay UY	69%
Kenya KE	68%
Slovenia SI	68%
Trinidad and Tobago TT	68%
Gambia, The	68%
Ghana GH	66%
Germany DE	65%
Palau PW	65%
Jamaica JM	65%
Angola AO	65%
Thailand TH	65%
San Marino SM	64%
Namibia NA	64%
Antigua and Barbuda AG	63%
South Sudan, Republic of	63%
Myanmar MM	63%
Romania RO	62%
Mexico MX	61%
Poland PL	61%
Cyprus CY	**60%**
Montenegro ME	60%
Saint Kitts and Nevis KN	60%
Slovak Republic SK	60%

Colombia CO	**60%**
Costa Rica CR	60%
Lesotho LS	60%
Belize BZ	60%
Seychelles SC	59%
Zimbabwe ZW	59%
Central African Republic CF	58%
Dominican Republic DO	58%
Côte d'Ivoire CI	58%
Panama PA	58%
Philippines PH	58%
Algeria DZ	58%
Liberia LR	57%
Croatia HR	56%
New Zealand NZ	55%
Armenia AM	55%
Korea, Republic of KR	55%
Albania AL	54%
Uganda UG	54%
Iceland IS	53%
North Macedonia MK	53%
Benin BJ	53%
Nigeria NG	53%
Papua New Guinea PG	52%

Mali ML	**52%**
Madagascar MG	51%
Australia AU	51%
Burkina Faso BF	50%
Iraq IQ	50%
Nepal NP	49%
Malta MT	49%
Vanuatu VU	49%
Latvia LV	48%
Tanzania TZ	47%
Mauritania MR	46%
Serbia RS	44%
Sierra Leone SL	44%
Czech Republic CZ	44%
Tonga TO	44%
Paraguay PY	44%
Niger NG	43%
Netherlands NL	43%
Botswana BW	43%
Chile CL	43%
Honduras HN	43%
Belarus BY	43%
Norway NO	43%
Mongolia MN	43%

Ethiopia ET	**42%**
Lithuania LT	42%
Indonesia ID	41%
Qatar QA	41%
Bangladesh BD	40%
Cameroon CM	40%
Iran IR	40%
Guinea GN	40%
Kyrgyz Republic KG	39%
Nicaragua NI	38%
Eswatini SZ	38%
São Tomé and Príncipe ST	37%
Switzerland CH	37%
Ireland IE	37%
Moldova MD	36%
Georgia GE	36%
Oman OM	35%
Burundi BI	35%
Equatorial Guinea GQ	35%
Saudi Arabia SA	35%
Chad TD	34%
Bosnia and Herzegovina BA	34%
Peru PE	34%
Sweden SE	34%

Vietnam VN	34%
Uzbekistan UZ	33%
United Arab Emirates AE	33%
Comoros KM	33%
Andorra AD	32%
Djibouti DJ	31%
Cambodia KH	29%
Tajikistan TJ	28%
Bulgaria BG	28%
Guyana GY	28%
Guatemala GT	27%
Türkiye, Republic of	27%
Denmark DK	27%
Luxembourg LU	26%
Estonia EE	25%
Kazakhstan KZ	25%
Taiwan Province of China	24%
Solomon Islands SB	24%
Samoa WS	23%
Russian Federation RU	21%
Azerbaijan AZ	21%
Puerto Rico PR	19%
Kosovo RS	19%
Congo, Dem. Rep. of the	16%

Marshall Islands MH	**15%**
Nauru NR	15%
Timor-Leste TL	14%
Haiti HT	12%
Hong Kong SAR CN	12%
Micronesia, Fed. States of	9%
Kiribati KI	9%
Kuwait KW	7%
Turkmenistan TM	5%
Tuvalu TV	3%
Brunei Darussalam BN	2%
Macao SAR CN	0%

TOTAL Debt =

a) Government Debt +

b) Corporate Debt +

c) Household Debt

Importance of

Corporate Debt or Business Debt

- <u>**Corporate or Business Debt is $164.5 trillion.**</u>
    - **Government Debt is $91.4 trillion**
    - **Household Debt is $59.1 trillion**
- <u>**Corporate or Business Debt Accounts for Half of the World's $315 Trillion Debt**</u>

TOTAL Debt =

a) Government Debt +

b) Corporate Debt +

c) Household Debt

Household Debt

Household Debt U.S. Hits Record $18.2 Trillion in Q1 2025

Global Household Debt is $59.1 trillion

So, the US covers 31% of the Global

In Q1 2025, U.S. household debt rose to a record $18.2 trillion, up 2.9% from the previous year.

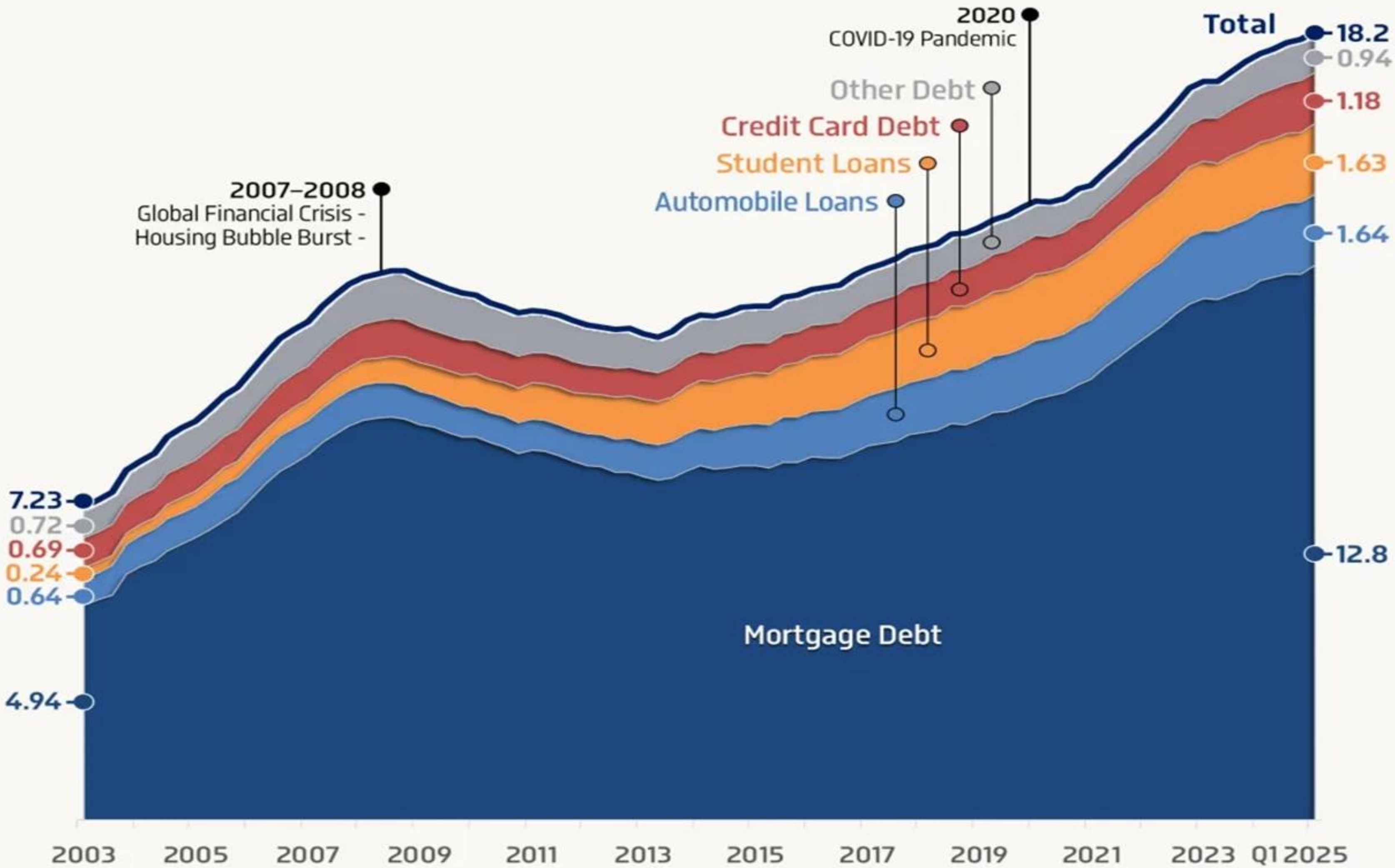
- Mortgages made up the largest share at $12.8 trillion (70.3%),
- followed by auto loans at $1.64 trillion (9.0%),
- student loans at $1.63 trillion (9.0%),
- credit card debt at $1.18 trillion (6.5%), and
- home equity revolving credit at $0.40 trillion (2.2%).

Credit card balances saw the fastest growth, rising 6.0% year-over-year.

U.S. Household Debt Hits Record $18.2 Trillion in Q1 2025

Total Debt Q1 2025
$18.2 Trillion

U.S. Household Debt and Credit (Trillion US$)



Source: Federal Reserve Bank of New York

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II) Debt to GDP

The government debt-to-GDP ratio is a key indicator of a country's financial health.

It provides insight into the government's capacity to manage its debt, shapes fiscal policy flexibility, and plays a crucial role in influencing investor confidence.

Ο δείκτης δημόσιου χρέους προς ΑΕΠ αποτελεί βασικό δείκτη της οικονομικής ευρωστίας μιας χώρας.

Παρέχει πληροφορίες για την ικανότητα της κυβέρνησης να διαχειρίζεται το χρέος της, διαμορφώνει την ευελιξία της δημοσιονομικής πολιτικής και παίζει κρίσιμο ρόλο στον επηρεασμό της εμπιστοσύνης των επενδυτών.

- **Government debt ratios can provide important context to understand a country's ability to meet its financial obligations and sustain economic growth.**

- **A high government debt ratio can also affect investor confidence, undermine economic stability, constrict economic growth, and narrow the government's access to fiscal policy tools**.

- Οι δείκτες δημόσιου χρέους μπορούν να παράσχουν σημαντικό πλαίσιο για την κατανόηση της ικανότητας μιας χώρας να εκπληρώνει τις οικονομικές της υποχρεώσεις και να διατηρεί την οικονομική της ανάπτυξη.

- Ένας υψηλός δείκτης δημόσιου χρέους μπορεί επίσης να επηρεάσει την εμπιστοσύνη των επενδυτών, να υπονομεύσει την οικονομική σταθερότητα, να περιορίσει την οικονομική ανάπτυξη και να περιορίσει την πρόσβαση της κυβέρνησης σε εργαλεία δημοσιονομικής πολιτικής.

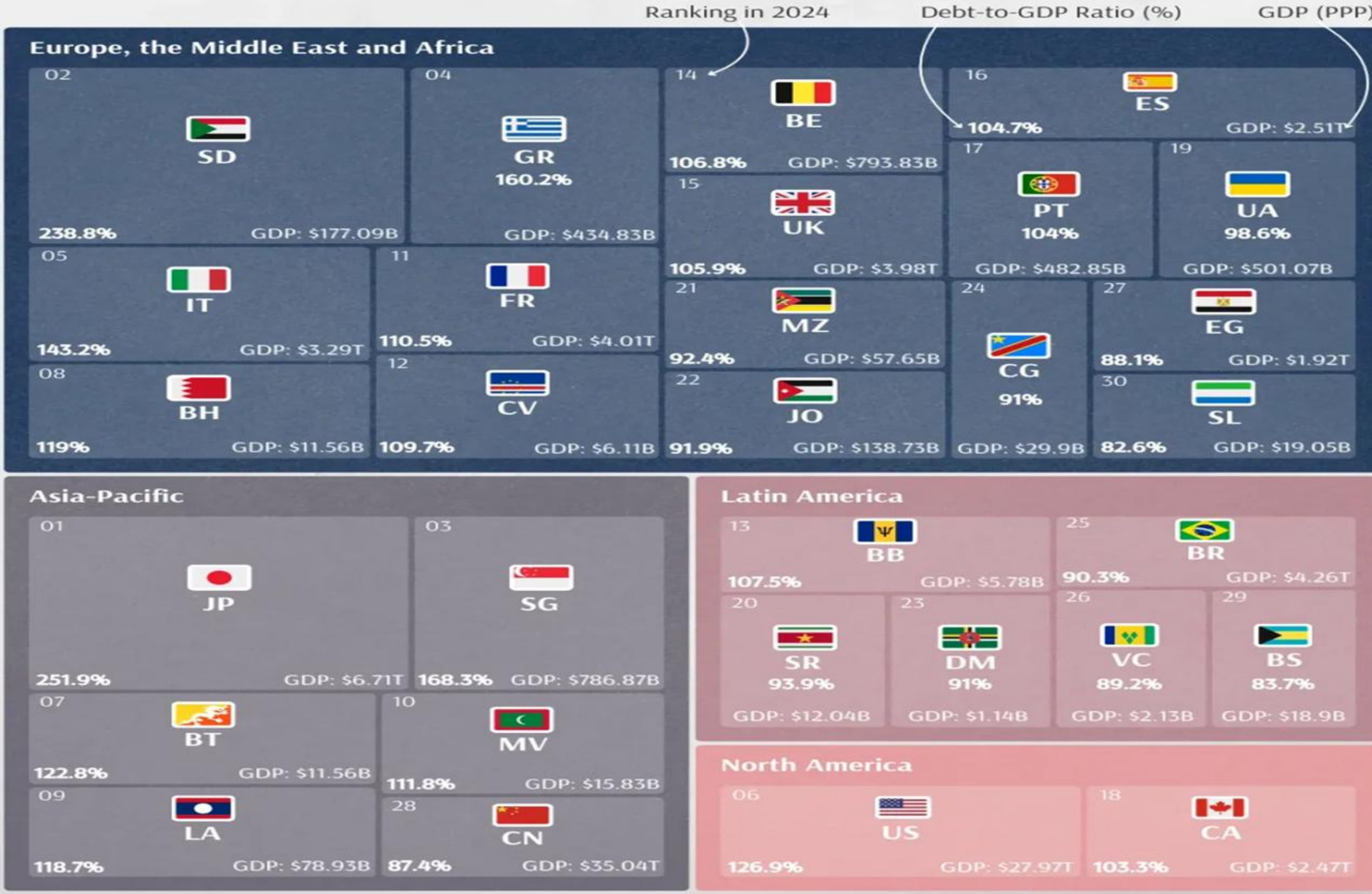
- **The infographic below ranks countries by their debt-to-GDP ratio. The debt-to-GDP ratio is an economic indicator that compares a country's economic output to its public debt, measuring its ability to pay off what it owes (in theory).**

- **The data comes from the April 2025 edition of the IMF World Economic Outlook.**

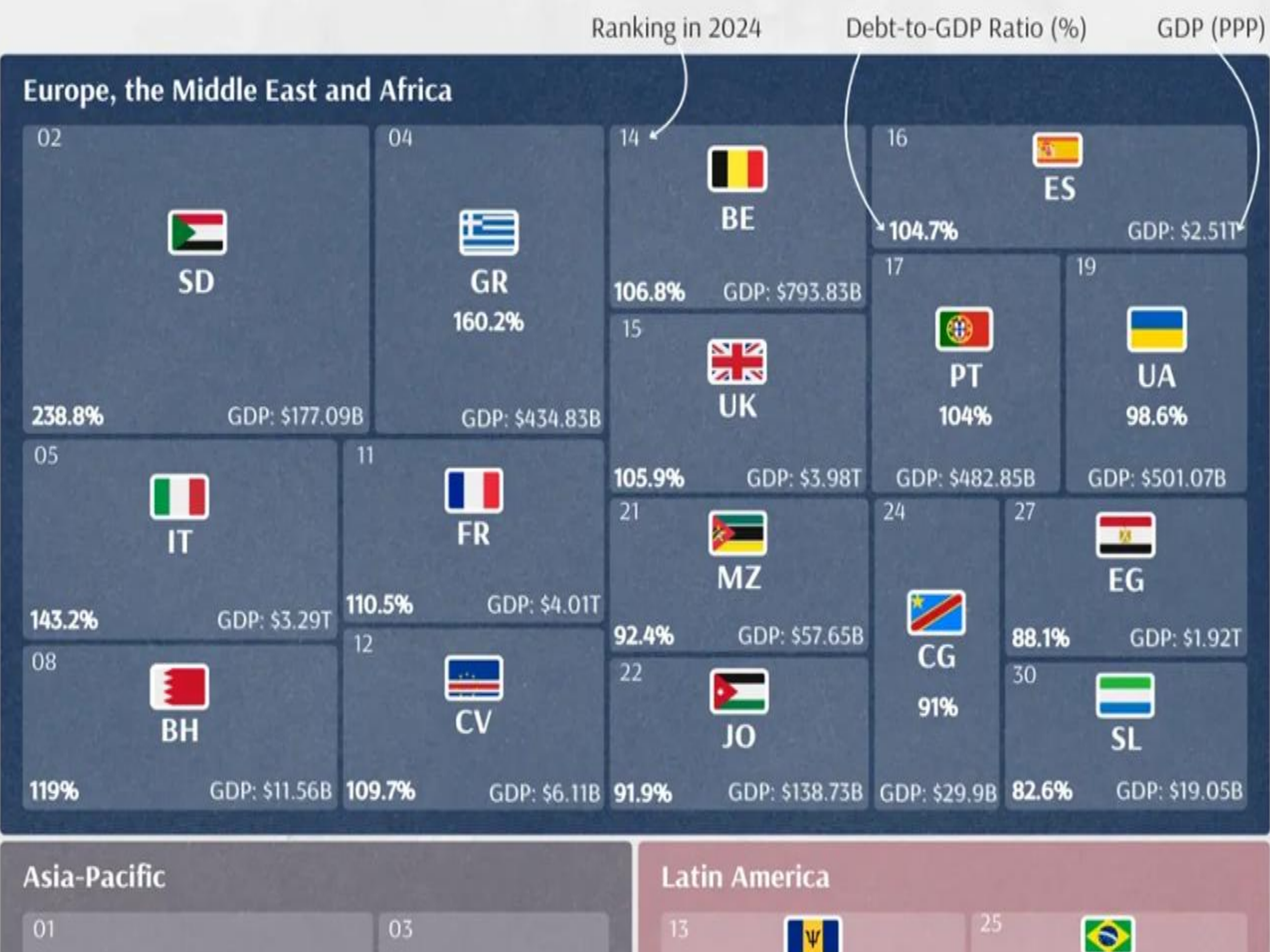
- Το παρακάτω infographic κατατάσσει τις χώρες με βάση τον λόγο χρέους προς ΑΕΠ. Ο λόγος χρέους προς ΑΕΠ είναι ένας οικονομικός δείκτης που συγκρίνει την οικονομική παραγωγή μιας χώρας με το δημόσιο χρέος της, μετρώντας την ικανότητά της να αποπληρώσει ό,τι οφείλει (θεωρητικά).

- Τα δεδομένα προέρχονται από την έκδοση Απριλίου 2025 των Παγκόσμιων Οικονομικών Προοπτικών του ΔΝΤ.

30 COUNTRIES WITH HIGHEST DEBT-TO-GDP RATIO 2024



Source: Insidermonkey



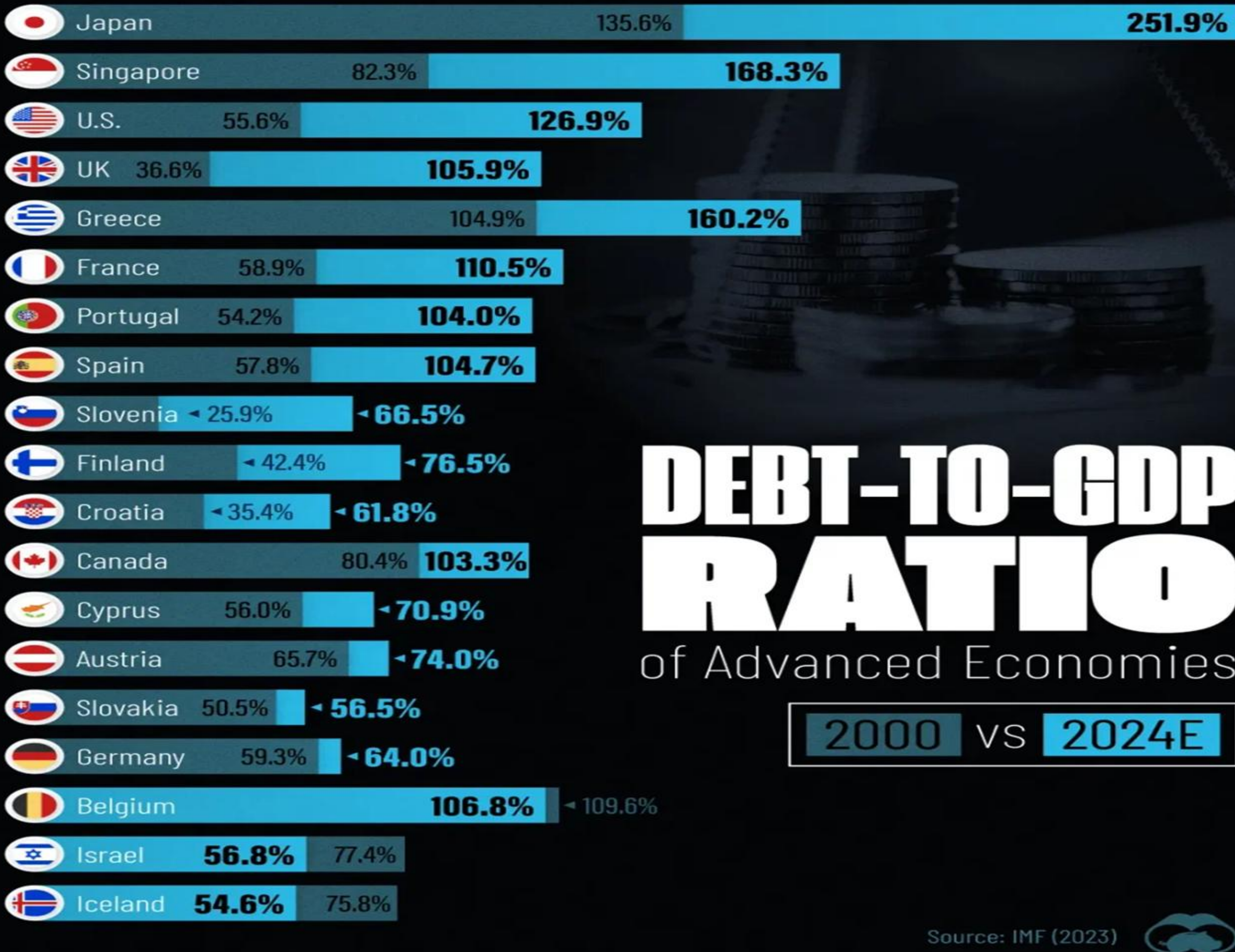
Ranking in 2024
Debt-to-GDP Ratio (%)
GDP (PPP)
Europe, the Middle East and Africa
02 SD 238.8% GDP: $177.09B
04 GR 160.2% GDP: $434.83B
14 BE 106.8% GDP: $793.83B
16 ES 104.7% GDP: $2.51T
15 UK 105.9% GDP: $3.98T
17 PT 104% GDP: $482.85B
19 UA 98.6% GDP: $501.07B
05 IT 143.2% GDP: $3.29T
11 FR 110.5% GDP: $4.01T
21 MZ 92.4% GDP: $57.65B
24 CG 91% GDP: $29.9B
27 EG 88.1% GDP: $1.92T
08 BH 119% GDP: $11.56B
12 CV 109.7% GDP: $6.11B
22 JO 91.9% GDP: $138.73B
30 SL 82.6% GDP: $19.05B
Asia-Pacific
01
03
Latin America
13
25

Latin America

13	BB	107.5%	GDP: $5.78B
25	BR	90.3%	GDP: $4.26T
20	SR	93.9%	GDP: $12.04B
23	DM	91%	GDP: $1.14B
26	VC	89.2%	GDP: $2.13B
29	BS	83.7%	GDP: $18.9B

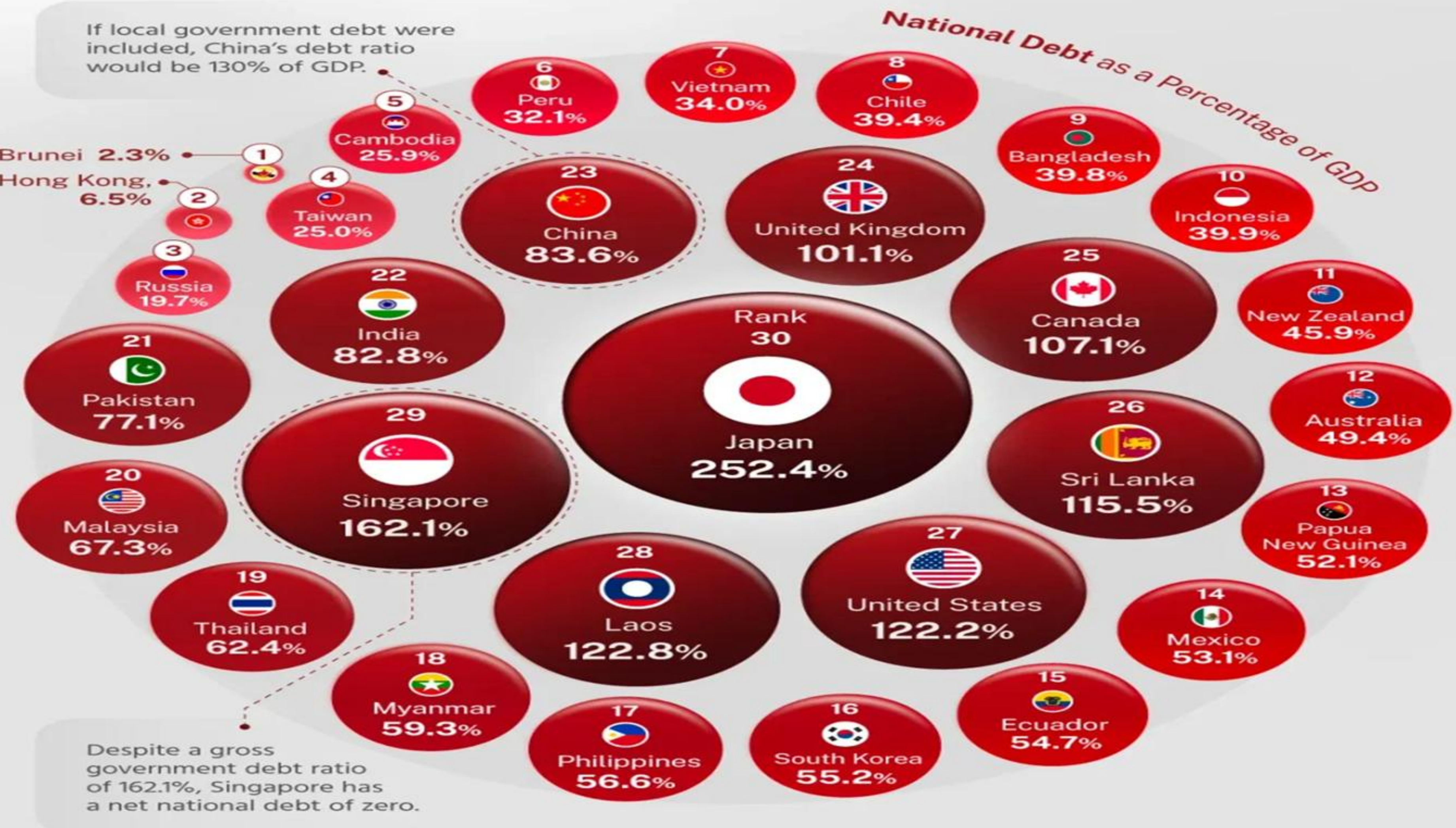
North America

06	US	126.9%	GDP: $27.97T
18	CA	103.3%	GDP: $2.47T


DEBT-TO-GDP RATIO
of Advanced Economies
2000 vs 2024E
Japan 135.6% 251.9%
Singapore 82.3% 168.3%
U.S. 55.6% 126.9%
UK 36.6% 105.9%
Greece 104.9% 160.2%
France 58.9% 110.5%
Portugal 54.2% 104.0%
Spain 57.8% 104.7%
Slovenia 25.9% 66.5%
Finland 42.4% 76.5%
Croatia 35.4% 61.8%
Canada 80.4% 103.3%
Cyprus 56.0% 70.9%
Austria 65.7% 74.0%
Slovakia 50.5% 56.5%
Germany 59.3% 64.0%
Belgium 106.8% 109.6%
Israel 56.8% 77.4%
Iceland 54.6% 75.8%
Source: IMF (2023)

Government Debt
Across 30 Major Economies

Government debt levels can significantly impact financial and geopolitical decisions, shaping everything from interest rates to trade policies.



The Sustainable Trade Index measures the ability of 30 major economies to balance global trade with long-term economic, societal, and environmental priorities.

hinrich foundation
advancing sustainable global trade

IMD / World Competitiveness Center

Note: higher government debt corresponds to poorer performance in the economic pillar of the Sustainable Trade Index. Source: Hinrich-IMD Sustainable Trade Index analysis on 2023 data from the International Monetary Fund.

Rank	Economy	Government debt as a percent of GDP (%)
1	Brunei	2.3
2	Hong Kong, SAR	6.5
3	Russia	19.7
4	Taiwan	25.0
5	Cambodia	25.9
6	Peru	32.1
7	Vietnam	34.0
8	Chile	39.4
9	Bangladesh	39.8
10	Indonesia	39.9
11	New Zealand	45.9
12	Australia	49.4
13	Papua New Guinea	52.1
14	Mexico	53.1
15	Ecuador	54.7
16	South Korea	55.2
17	Philippines	56.6
18	Myanmar	59.3
19	Thailand	62.4
20	Malaysia	67.3
21	Pakistan	77.1
22	India	82.8
23	China	83.6
24	United Kingdom	101.1
25	Canada	107.1
26	Sri Lanka	115.5
27	United States	122.2
28	Laos	122.8
29	Singapore	162.1
30	Japan	252.4

What we observe?

ΤΙ ΠΑΡΑΤΗΡΟΥΜΕ?

Most officials / people focus on Government Debt and put aside the other two types of Debt.

ΟΤΙ ΜΕΤΡΑΜΕ ΤΗΝ ΑΝΑΛΟΓΙΑ ΜΟΝΟ ΜΕ ΤΟ ΧΡΕΟΣ ΤΗΣ ΚΥΒΕΡΝΗΣΗΣ

ΑΡΑΓΕ ΓΙΑΤΙ?

Additional problems in relation ….

… to Debt

Άλλα προβλήματα συνδυαστικά ...

... με το Χρέος

Aging population

Γήρανση του Πληθυσμού

Most People DO NOT TRUST Government Institutions

Πολλοί πολίτες πλέον δεν εμπιστεύονται Τις Κυβερνήσεις και τις Κρατικές Υπηρεσίες

Thank You

Sources

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2) Wikipedia

3) References at Slides

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