LAZARD GLOBAL TOTAL RETURN & INCOME FUND INC
Form N-CSR
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FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21511

Lazard Global Total Return and Income Fund, Inc.
(Exact name of registrant as specified in charter)

30 Rockefeller Plaza
New York, New York 10112
(Address of principal executive offices) (Zip code)

Nathan A. Paul, Esq.
Lazard Asset Management LLC
30 Rockefeller Plaza
New York, New York 10112
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 632-6000

Date of fiscal year end: 12/31

Date of reporting period: 12/31/07

ITEM 1. REPORTS TO STOCKHOLDERS.

LAZARD ASSET MANAGEMENT

DECEMBER 31, 2007

Lazard Global Total Return & Income Fund, Inc.

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Please consider the Fund's investment objective, risks, charges and expenses carefully before investing. For more complete information about the Fund, you may obtain the prospectus by calling 800-828-5548, or online, at www.LazardNet.com.Read the prospectus carefully before you invest. The prospectus contains investment objective, risks, charges, expenses and other information about the Fund, which may not be detailed in this report.

Lazard Global Total Return & Income Fund, Inc.
Investment Overview

Dear Shareholder,

We are pleased to present this Annual Report for Lazard Global Total Return & Income Fund, Inc. ("LGI" or the "Fund"), for the year ended December 31, 2007. LGI is a diversified, closed-end management investment company that began trading on the New York Stock Exchange ("NYSE") on April 28, 2004. Its ticker symbol is "LGI."

The Fund has been in operation for more than three and a half years, and we are pleased with LGI's performance for the fourth quarter, full year 2007, and since inception periods. We believe that the Fund has provided investors with an attractive yield and diversification, backed by the extensive experience, commitment, and professional management of Lazard Asset Management LLC (the "Investment Manager" or "Lazard").

Portfolio Update (as of December 31, 2007)

For the fourth quarter of 2007, the Fund's Net Asset Value ("NAV") performance decreased 0.9%, outperforming the Morgan Stanley Capital International (MSCI®) World® Index (the "Index") loss of 2.4%. For the full year 2007, the Fund's NAV return of 9.7% also outperformed the Index return of 9.0%. In addition, the Fund's since inception annualized NAV return of 14.7% is outperforming the Index return of 13.5%. Shares of LGI ended the fourth quarter of 2007 with a market price of $23.34, representing a 4.2% discount to the Fund's NAV of $24.37. The Fund's net assets were $234.1 million as of December 31, 2007, with total leveraged assets of $327.2 million, representing 28.5% leverage.

We believe that LGI's investment thesis remains sound, as demonstrated by the Fund's favorable relative NAV performance in recent periods, and indeed, since inception. Fourth quarter performance benefited from stock selection in the financials, telecom services, health care and utilities sectors, while returns were hurt by stock selection in the consumer staples, consumer

As of December 31, 2007, 67.9% of the Fund's total leveraged assets consisted of global equities and 31.5% consisted of emerging market currency and debt instruments, while the remaining 0.6% consisted of cash and other assets.

Declaration of Dividends

Pursuant to LGI's level distribution policy, the Fund's Board of Directors has declared a monthly dividend distribution of $0.1042 per share on the Fund's outstanding stock each month since inception. The Fund continues to maintain this distribution level. In addition, in September and December of 2007, the Fund made additional required distributions of accumulated income and net realized capital gains. The cumulative distributions for the last 12 months ended December 31, 2007 totaled $1.6612 per share. There was no return of capital in 2007, and the Fund has not returned capital to investors since its inception. The $1.6612 distribution represents a market yield of 7.1% (including distributed capital gains), based on the share price of $23.34 at the close of NYSE trading on December 31, 2007.

Additional Information

Please note that available on www.LazardNet.com are frequent updates on the Fund's performance, press releases, and a monthly fact sheet that provides information about the Fund's major holdings, sector weightings, regional exposures, and other characteristics. You may also reach Lazard by phone at 1-800-828-5548.

On behalf of Lazard, we thank you for your investment in Lazard Global Total Return & Income Fund, Inc. and look forward to continuing to serve your investment needs in the future.

Message from the Portfolio Managers

Global Equity Portfolio
(67.9% of total leveraged assets)

discretionary and materials sectors. Returns for the smaller, short-duration[1] emerging market currency and debt portion of the Fund were very favorable throughout the fourth quarter and 2007, and have been a meaningful positive contributor to performance of the Fund this year, and since inception.

The Fund's global equity portfolio is invested primarily in equity securities of large, well-known global companies with strong financial productivity at attractive valuations. Examples include GlaxoSmithKline, a global research-based pharmaceutical company based in the United Kingdom; Bank of America, a holding company that provides banking and non-banking

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Lazard Global Total Return & Income Fund, Inc.
Investment Overview (continued)

financial services and products in the United States and internationally; Nokia Corp., a Finland-based manufacturer of mobile telephones; and Total SA, a French energy supplier that explores for, produces, refines, transports, and markets oil and natural gas.

Companies held in the global equity portfolio are all based in developed-market regions around the world. As of December 31, 2007, 45.9% of these stocks were based in North America, 26.6% were based in Continental Europe (not including the United Kingdom), 19.8% were from the United Kingdom, and 7.7% were from Japan. The global equity portfolio is similarly well diversified across a number of industry sectors. The top two sectors, by weight, at December 31, were financials (23.3%), which includes banks, insurance companies, and financial services companies, and information technology (17.9%), a sector that encompasses industries involved in the design, development, installation, and implementation of information systems and applications, including hardware, software, IT services, and media-related companies. Other sectors in the portfolio include consumer discretionary, consumer staples, energy, health care, industrials, telecommunication services, materials, and utilities. The average dividend yield on the global equity portfolio was approximately 2.4% as of December 31, 2007.

Global Equity Markets Review

Global stocks remained range-bound during the fourth quarter of 2007, as investors grappled with intensifying turmoil in the global credit markets set against continued resilient economic growth in many regions around the world. Stocks started the quarter strongly, continuing the rally that began after the U.S. Federal Reserve's September rate cut. However, equities fell sharply in October, amid further large write-downs from various financial companies and continued turmoil in the interbank lending markets. From a sector perspective, more economically defensive groups such as utilities, consumer staples and telecom services stocks outperformed, based on expectations that credit market issues would depress future global growth. Energy declining housing prices on consumer confidence. From a regional respective, the Japanese market continued to lag amid signs that the economic recovery in Japan is fading. U.S. stocks lagged modestly, and European markets outperformed. Larger stocks continued to outperform smaller stocks globally, as they have since market volatility increased mid-year.

What Helped and What Hurt LGI

During the quarter, the Fund's global equity performance benefited from stock selection in the financials sector. Although our Japanese financial holdings, such as Mitsubishi UFJ, Nomura, and Sumitomo Mitsui, declined, we avoided many of the financial stocks most directly impacted by subprime credit issues and the rise in funding rates. Also, holdings in Bank of New York Mellon, a U.S. asset manager, performed well. Stock selection in the telecom services sector also boosted returns as holdings in Vodafone and Singapore Telecommunications posted solid gains. An overweight position and stock selection in the health care sector benefited performance as prices of Sanofi-Aventis and Johnson & Johnson rose. The portfolio also significantly outperformed in the utilities sector based on the strong performance of French utility holding, Suez. In contrast, stock selection in the materials sector hurt performance, as shares of CRH, an Irish maker of building materials, lost value due to expectations of slower construction activities in 2008. Although the portfolio was underweight in the weak-performing consumer discretionary sector, our sole holding, Home Depot, declined sharply due to tepid sales and earnings results. Stock selection in the consumer staples sector also hurt returns, as shares of Heineken and Diageo declined.

Emerging Market Currency and Debt Portfolio (31.5% of total leveraged assets)

The Fund also seeks enhanced income through investments in high-yielding, short-duration (typically, under one year) emerging market forward currency contracts and local currency debt instruments. As of December 31, 2007, this portfolio consisted primarily of stocks also performed well, despite concerns about slowing global growth, as crude oil prices stubbornly stayed above $90. Financials continued to lag, as this sector was most directly impacted by the tumult in the credit markets. Consumer discretionary stocks were also weak, due to the negative impact of

forward currency contracts (66.6%) and a smaller allocation to sovereign debt obligations (28.6%) and structured notes (4.8%). The average duration of the emerging market currency and debt portfolio was

Lazard Global Total Return & Income Fund, Inc.
Investment Overview (continued)

approximately 9.1 months, as of December 31, with an average yield of 7.0%.[2]

Emerging Market Currency and Debt Market Review

The final quarter of 2007 saw the continuation of the volatility related to the subprime meltdown from the previous quarter. In the United States, several indicators, ranging from jobless claims to consumer confidence, pointed to a slowdown in economic growth. Volatility in shorter duration money markets persisted, as even overnight lending rates jumped wildly above the federal funds target rate. The U.S. Federal Reserve, once again, tried to assuage fears with looser monetary policy, lowering the policy rate by 50 basis points to 4.25%. Along with the Bank of England, Bank of Canada and the European Central Bank, a term auction facility, aimed at easing credit concerns, was also announced. Emerging markets were mostly unaffected by the noise. Monetary policy continued to delink from the U.S. Federal Reserve, as several central banks, ranging from China in Asia to Nigeria in Africa, hiked rates even in the face of urgent easing in the United States. For the most part, improved fundamentals allow these countries to direct policy in a way that is more appropriate to domestic issues. Rising food prices are a very important dynamic, especially in emerging markets where the poorest are disproportionately impacted. The fact that food gets a larger weight in the CPI baskets of emerging economies than it does in wealthier nations also means that its impact on headline inflation and expectations is more serious. Currency appreciation remains a favored tool to fight this development, as central banks facing the strongest inflationary pressures have been most tolerant of allowing their currencies to strengthen. With U.S. growth largely dependent on the slowing consumer, we have tried to position the portfolio in countries that we believe are well placed to weather a shock in this space.

What Helped and What Hurt LGI

The globally diversified emerging market currency and local debt portfolio achieved strong annual and quarterly returns from both interest rate yield and currency appreciation. Throughout the course of 2007, the Investment Manager has steadily reduced the Fund's exposure to emerging local currency and debt markets with high sensitivity to global equity market volatility and directionality, U.S. consumption trends, and leveraged global capital flows. Avoidance of or limited exposure to local markets such as Mexico, South Korea, Taiwan, South Africa, Romania, the Baltic States, and Kazakhstan are some examples.

The portfolio's exposures in all six regions materially outperformed LIBOR for the fourth quarter and full year 2007. In the Middle East, performance was driven by Turkey (good security selection and active management in Turkish currency and local debt markets) and Israel (robust growth, steep yield curve, and positive balance of payments position). In Latin America, continued strong growth, a healthy commodity price environment, and buoyant capital inflows provided balance of payment support for the region's local markets, especially Brazil. In Africa, exposures in uncorrelated "Frontier" countries such as Egypt, Nigeria, Tanzania, Mauritius, and Uganda drove results. Good country selection in Asia, notably the Philippines, India, Malaysia and Singapore, drove most of the region's contribution. In Europe, strong Polish and Slovakian growth alongside high quality financing of current account deficits and Hungary's healthy yield and improving fundamentals (shrinking fiscal and external imbalances) prompted gains. In the CIS/Baltic region, Russia's current and capital account surpluses led to continued strong performance.

Lazard Global Total Return & Income Fund, Inc.
Investment Overview (continued)

Notes to Investment Overview:

1 A measure of the average cash weighted term-to-maturity of the investment holdings. Duration is a measure of the price sensitivity of a bond to interest rate movements. Duration for a forward currency contract is equal to its term-to-maturity.

2 The quoted yield does not account for the implicit cost of borrowing on the forward currency contracts, which would reduce the yield shown.

All returns reflect reinvestment of all dividends and distributions. Past performance is not indicative, nor a guarantee, of future results.

The performance data of the Index and other market data have been prepared from sources and data that the Investment Manager believes to be reliable, but no representation is made as to their accuracy. The Index represents market value-weighted average returns of selected securities listed on the stock exchanges of Europe, Australasia and the Far East, New Zealand, Canada, and the United States. The Index is unmanaged, has no fees or costs and is not available for investment.

The views of the Fund’s management and the portfolio holdings described in this report are as of December 31, 2007; these views and portfolio holdings may have changed subsequent to this date. Nothing herein should be construed as a recommendation to buy, sell, or hold a particular investment. There is no assurance that the portfolio holdings discussed herein will remain in the Fund at the time you receive this report, or that portfolio holdings sold will not have been repurchased. The specific portfolio holdings discussed may in aggregate represent only a small percentage of the Fund’s holdings. It should not be assumed that investments identified and discussed were, or will be, profitable, or that the investment decisions we make in the future will be profitable, or equal the performance of the investments discussed herein.

The views and opinions expressed are provided for general information only, and do not constitute specific tax, legal, or investment advice to, or recommendations for, any person. There can be no guarantee as to the accuracy of the outlooks for markets, sectors and securities as discussed herein. You should read the Fund’s prospectus for a more detailed discussion of the Fund’s investment objective, strategies, risks and fees.

Lazard Global Total Return & Income Fund, Inc.
Investment Overview (continued)

Comparison of Changes in Value of $10,000 Investment in LGI and MSCI World Index*

LGI at Market Price	$	15,503
LGI at Net Asset Value		16,575
MSCI World Index		15,931

Average Annual Total Returns*
Periods Ended December 31, 2007

	One Year	Since Inception**
Market Price	11.35%	12.66%
Net Asset Value	9.74	14.72
MSCI World Index	9.04	13.49

* All returns reflect reinvestment of all dividends and distributions. The performance quoted represents past performance. Current performance may be lower or higher than the performance quoted. Past performance is not indicative, nor a guarantee, of future results; the investment return, market price and net asset value of the Fund will fluctuate, so that an investor's shares in the Fund, when sold, may be worth more or less than their original cost. The returns do not reflect the deduction of taxes that a stockholder would pay on the Fund's distributions or on the sale of Fund shares.

The performance data of the Index has been prepared from sources and data that the Investment Manager believes to be reliable, but no representation is made as to its accuracy. The Index represents market value-weighted average returns of selected securities listed on the stock exchanges of Europe, Australasia and the Far East, New Zealand, Canada, and the United States. The Index is unmanaged, has no fees or costs and is not available for investment.

** The Fund's inception date was April 28, 2004.

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Investment Overview (continued)

Ten Largest Equity Holdings
December 31, 2007

Security	Value	Percentage of Net Assets
Microsoft Corp.	$11,619,840	5.0%
Exxon Mobil Corp.	9,846,819	4.2
Oracle Corp.	9,025,226	3.9
International Business Machines Corp.	8,723,670	3.7
Diageo PLC Sponsored ADR	8,677,413	3.7
Nokia Oyj Sponsored ADR	7,401,592	3.2
Heineken NV ADR	7,207,920	3.1
Vodafone Group PLC Sponsored ADR	7,154,692	3.1
Johnson & Johnson	6,956,810	3.0
JPMorgan Chase & Co.	6,499,310	2.8

Portfolio Holdings Presented by Sector
December 31, 2007

Sector	Percentage of Total Investments
Consumer Discretionary	1.6%
Consumer Staples	10.6
Emerging Markets Debt Obligations	11.9
Energy	9.2
Financials	18.6
Health Care	10.9
Industrials	3.4
Information Technology	14.2
Materials	1.2
Telecommunication Services	7.8
Utilities	1.9
Short-Term Investments	8.7
Total Investments	100.0%

Lazard Global Total Return & Income Fund, Inc.
Portfolio of Investments
December 31, 2007

Description	Shares	Value
Common Stocks—94.9%		
Finland—3.2%		
Nokia Oyj Sponsored ADR (c)	192,800	$ 7,401,592

Description	Shares	Value
HSBC Holdings PLC Sponsored ADR (d)	76,300	$ 6,387,073
Tesco PLC Sponsored ADR (d)	153,200	4,289,600
Vodafone Group PLC Sponsored ADR (c)		