



Jack <jackbotein@gmail.com>

Question from a High School Student

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To: "jackbotein@gmail.com" <jackbotein@gmail.com>

Fri, Feb 26, 2021 at 12:16 PM

Hello Jack,

Greetings from Beirut. I am writing on behalf of Ambassador Shea -- the email address you used does not belong to her, but the recipient forwarded her your email, and she asked that we respond to you.

Your question is a very important one. Lebanon, a vibrant, diverse, and pluralistic country, is facing its worst economic crisis in decades. It has been heartbreaking to watch this wonderful country's painful descent. Corruption, poor economic policy, and a failed economic model that relied on external financing to sustain twin public and current account deficits resulted in the country's economic collapse last year. GDP fell 25 percent in 2020, inflation rose 145 percent between December 2019 and December 2020, and more than half the country fell below the poverty line. Lebanon also defaulted on its external debt in March 2020.

Lebanon's political leaders must move quickly on a series of reforms that arrests the country's economic decline. First, Lebanon must address its economic crisis in a holistic way that protects its most vulnerable. Then it must move to address endemic corruption and consider how it can foster sustainable economic growth, restore confidence, and once again attract private foreign investment. We and other international partners are certainly willing to help, but Lebanon must help itself first. The Lebanese people have called for accountability from their public leaders, and the international community has done the same.

The United States will always stand by the people of Lebanon, however. Last year, the United States mobilized \$395 million in humanitarian assistance for the Lebanese people. This included more than \$55 million for COVID-19 response and more than \$38 million in life-saving aid including food, medical supplies, shelter, and other emergency response support following the horrific explosion at the Port of Beirut in August 2020.

I wish you the best of luck on your research project.

Best wishes,

Neil

Neil Gundavda
Economic and Commercial Officer
U.S. Embassy Beirut

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