

## **Effects of the Lebanese Economic and Financial Crisis on the Price Elasticity of Import Demand for Substitutable Goods**

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**Abstract:** This article investigates the effects of the Lebanese economic and financial crisis on the price elasticity of import demand for goods that can be substituted with Lebanese goods. This article aims to highlight the importance of a country's productive capacity to adapt to crises using monthly data collected from the website of the Lebanese Customs on the period February 2013- December 2023, which in its turn is divided into two different periods: period of before the crisis (February 2013-September 2019) and the period of the crisis (October 2019-December 2023). Using the Panel Least Squares Dummy Variable model and after calculating the variation in percentage for each variable, this paper shows that Lebanese production is unable to adapt to crises.

**Keywords:** Price Level, Imports of Substitutable Goods, Financial Crises

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