

## The world cannot afford another war

### The international community must call for ceasefire between Israel and Palestine

After months of rising tensions between Israel and Palestine, aided by criminal neglect from the international community towards the Palestinians' calls for justice, the conflict-ridden region is now spiralling into a full-blown war. Palestine's militant group Hamas, backed by Iran, launched the deadliest attack in Israel in 50 years, killing more than 600 people as of 8:30pm Sunday. In retaliation, Israel launched strikes in the Gaza Strip; the Palestinian death toll has already crossed 350. While we condemn the senseless violence at any cost, the violence committed by Hamas cannot be judged by the same yardstick as the violence that Israel has committed over the years for the maintenance of discrimination and oppression in the Palestinian lands. We must acknowledge the root cause behind the so-called "surprise" attack by Hamas, which lies in decades of systemic destruction committed by Israel.

Palestinians have been protesting against Israeli occupation and the violence that has engulfed their lives in what they call an "open-air prison." This year alone, before the latest escalation, more than 200 Palestinians were killed by Israelis, in largely unprovoked attacks. And each time, the West supported it on the grounds of "self-defence." While the Arab League and mostly non-Western states have condemned both attacks by Hamas and Israel, the European Union, the US, Canada and the UK have only condemned the violence by Hamas, once again showing their bias. What's most worrying is that instead of calling for non-violent measures, they have echoed their support for Israel's right to defend itself, which will lead to more suffering for the oppressed community of Palestinians.

Israel's Prime Minister Benjamin Netanyahu has declared war, while the Israeli Defense Forces are initiating a large-scale operation. Israel has obliterated the supply of electricity in the besieged territory, leaving two million Palestinians to fear for their lives in darkness. The US has offered Israel "all appropriate means of support." Given Israel's superior military resources and with aid from powerful nations, we know that the continuance of this violent cycle will result in a disproportionate death toll of Palestinians. But if the international community is truly serious about the two-state solution, it is now high time to address the Israel-Palestine crisis with honesty, holding both sides equally accountable for violence and putting an end to Israel's illegal occupation of the Palestinian lands. We call on the international community to take urgent action and call for a ceasefire to stop a further escalation of violence.

## The boons promised by the Third Terminal

### Existing inefficiencies and irregularities must not re-emerge

The opening of Dhaka airport's much awaited Third Terminal is indeed exciting news for Bangladeshis. Although travellers will have to wait till the end of next year to enjoy its facilities, this grand, state-of-the-art structure promises to offer exponential improvement in the quality of services and hopefully an end to the numerous miseries they face at the existing international terminal of the airport. Foreign trade, especially, will be greatly facilitated, which is welcome news for the business community.

The new facility is expected to significantly improve the capacity of the cargo village – the area used for transport, logistics and distribution of cargo for national and international transit. The airport currently has a very small cargo village, and this has led to many bottlenecks in cargo handling and storage, including complaints of goods being stolen, quality of products deteriorating and delays in the release of goods. The RMG sector has been particularly affected, with garment samples arriving late leading to delays in manufacturing, missed deadlines, cancellation of orders and delayed payments. Sometimes exporters alleged that they did not get the exact quantity of goods as some of them were stolen. These serious bottlenecks are expected to be eliminated at the new terminal, where more airlines will be able to handle a higher number of cargo flights.

The fully automated export and import cargo complex with expanded capacity has the potential to bring about a dramatic change in international trade for Bangladesh. Business leaders are optimistic that this increased and improved capacity will make the local businesses more competitive globally and increase the confidence of international partners.

That the terminal will be managed by a Japanese company under a public-private partnership gives us confidence that the highest standards of maintenance and efficiency will be employed. We sincerely hope that the chaos, inefficiencies, corruption and lackadaisical maintenance that we face now will all be eliminated at the new terminal. This will only be possible if the Civil Aviation Authority of Bangladesh (CAAB) makes sure that such anomalies do not re-emerge in the new facility.

## LETTERS TO THE EDITOR

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### Political engagements online

It is time for our political parties to consider conducting their public engagement events, such as rallies, assemblies and processions, virtually. Many major cities in Bangladesh, especially the capital Dhaka, are already struggling with severe traffic jams. We, the normal citizens, find it difficult to justify the hours of traffic jams and additional suffering caused by street demonstrations that do nothing but attack the rival parties or praise their own. If political parties truly want to serve the people, they should abandon their street shows of strength and engage citizens with substantial and persuasive reasoning. Virtual engagements will be easy, cost-effective, broad in reach, and trouble-free for citizens.

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# Taming the inflation monster in Bangladesh



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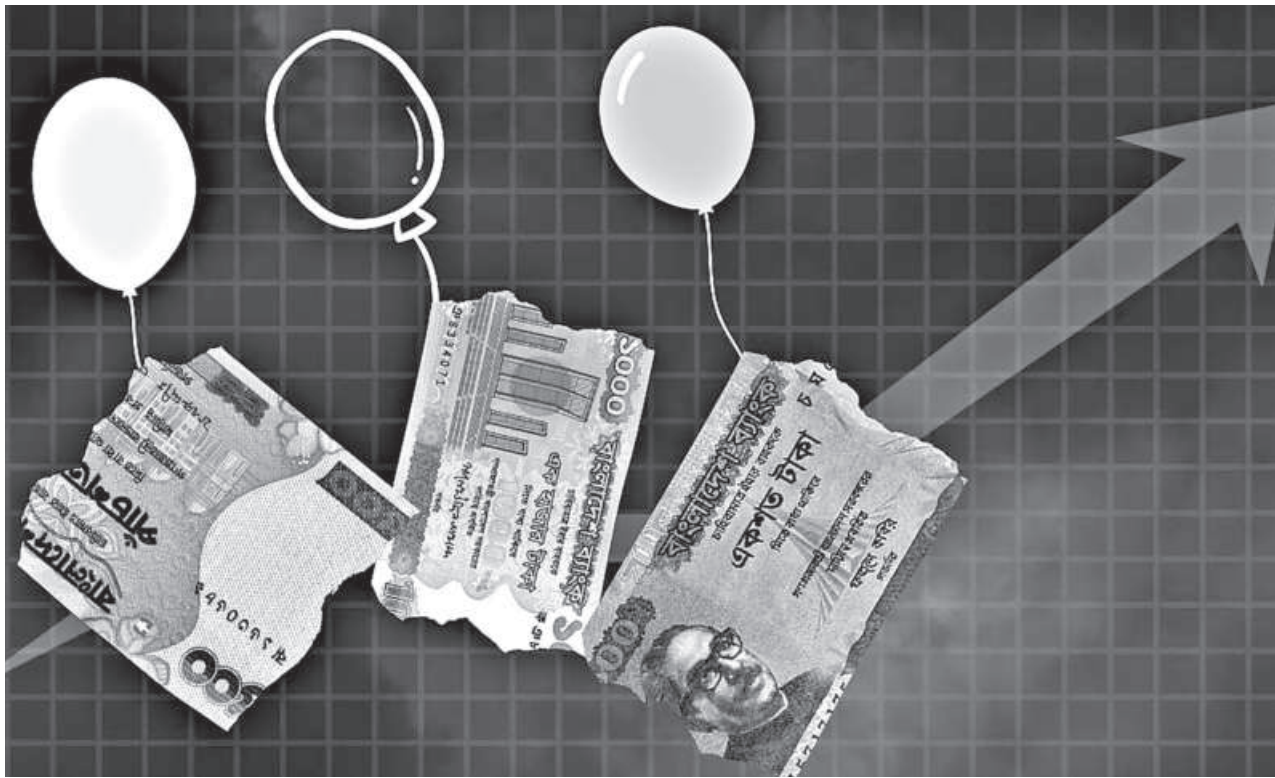
Inflation in Bangladesh has reached its highest level in a decade and has been a persistent problem for more than 18 months, starting from early last year. This situation, I believe, is the result of a failure to implement necessary measures to curb inflation in a timely manner.

Although the Russia-Ukraine war had an initial impact on inflation, it is not a valid excuse after such a long period. Other factors, such as the two rounds of fuel price hikes, have also contributed to this problem. Since fuel is an essential input for almost all sectors of the economy, its price increase affects the cost of most goods and services.

In fighting inflation, there are significant deficiencies in multiple areas coupled with a deficit in policy-making and implementation. First, the rigid interest rate policy of six to nine percent was maintained until the new monetary policy was announced in June this year. The earlier policy was not compatible with the market economy, as it did not adjust to the changing inflationary conditions. Many other developing countries in Asia (India, Indonesia, Vietnam, and even Sri Lanka) did not keep their interest rates fixed when inflation was high. Instead, they used their monetary policies more prudently and reduced the money supply in the market by raising interest rates.

But Bangladesh failed to do this. The move to a flexible regime under the Bangladesh Bank's latest monetary policy remained inadequate. The interest rates were pegged to the SMART (Six months Moving Average Rate of Treasury bill), but this did not allow the rates to rise sufficiently to curb inflation. Therefore, even after the removal of the interest rate cap, the monetary instrument remained ineffective in combating inflation.

The government also contributed to inflation by borrowing heavily from the central bank, which increased the money supply in the market. Moreover, the government adopted a policy of "managed" foreign exchange rate for several years, implemented by



VISUAL: TEENI AND TUNI

the central bank, to keep the dollar exchange rate artificially "stable." This policy prevented the necessary devaluation of the taka against the US dollar when the market conditions changed. However, towards the end of last year and early this year, the taka depreciated by 25-30 percent within a very short time. This sudden and large devaluation also fuelled inflation, as it raised the prices of imported goods in the domestic market. Therefore, the monetary policy was inappropriate and insufficient.

The government could have used fiscal policy to control inflation during this crisis by giving various tax breaks on imported goods. However, it did not adjust the taxes when the prices rose in the global market due to the taka's depreciation. This resulted in higher prices of many products in the domestic market. Additionally, the domestic market has been poorly managed and monitored. There is a state of chaos and disorder. Some

is making a recovery from a terrible situation it has faced in the last two years. One of the main reasons for this is the independent role of Sri Lanka's central bank during the crisis. It has regulated interest and foreign exchange rates autonomously, without any interference from the government. On the other hand, Bangladesh Bank has not been independent in formulating and implementing policies related to interest rates, exchange rates, and government borrowing.

Inflation is the biggest challenge for low-income and middle-class people in the country; controlling it must be the government's top priority. To do this, it needs to ensure an adequate supply of essential goods in the market and import them if necessary, adjust the monetary policy instruments, especially the interest rates, to reduce the money supply, and assess the fiscal policy and reduce taxes on the import of essential items to lower their prices

possible time if their prices are too high in the domestic market. The market has to be carefully monitored, and free flow of information about the demand and supply of consumer goods must be ensured, and the government should have accurate statistics on how much goods are needed and how much to import. To this end, a market monitoring mechanism should be developed involving representatives from traders, consumers, government authorities, and NGOs at the wholesale, retail, and local levels. Finally, government bodies such as the Competition Commission, which are responsible for regulating the market and preventing anti-competitive practices, must be strengthened.

The main point to remember here is that inflation cannot be controlled by any single organisation or policy. It requires a coordinated effort of sound monetary and fiscal policies, and proper market management.

# Hamas assault should be a moment of reckoning for Israel



### A CLOSER LOOK

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As dawn broke over Israel on October 7, 2023, people woke up to the roar of rockets coming from the besieged Gaza Strip, courtesy of Hamas. The Palestinian resistance group launched Operation Al-Aqsa Flood, encompassing aerial, ground and sea operations.

According to media reports, around 6:30 in the morning on the concluding day (*Simchat Torah*) of the weeklong Jewish holiday of Sukkot – also called the "Feast of Tabernacles" or "Feast of Booths" – the first round of rockets were fired. While the rockets reached as far north as Tel Aviv, on the south, Hamas fighters infiltrated Jewish towns bordering the Gaza Strip. As of writing this column on October 8 morning, fighting was going on in the towns of Sderot, Erez, Be'eri, Magen, Kfar Aza, Sufa, Nahal Oz, and the Re'im military base.

Hamas has said they have launched the attacks in response to the brutality faced by Palestinians in recent years, and against the desecration of Al-Aqsa Mosque by the Israeli forces and settlers, which has seen a significant increase in the past years. One would remember how, between April 15 and 22 last year, Israeli forces forcibly entered one of the holiest sites for Muslims and stormed the mosque,

wounding around 60 Palestinian worshippers on the first day of the attack alone. According to the Islamic Waqf Department in Jerusalem, in 2022, Al-Aqsa Mosque endured one of the most violent years in recent history, with the highest number of forced incursions and breaches.

More than 230 Palestinians were killed by Israeli forces and settlers in 2022, including 40 children. At the end of the year, 2022 was termed the deadliest year for the Palestinians since 2005. This year, even before the October 7 attacks, more than 200 Palestinians have been killed by Israelis, including more than 38 children.

Given the uptick in Israeli brutality in recent years, Operation Al-Aqsa Flood should not come as a surprise. Earlier in May, in the aftermath of Israeli bombing of Gaza that killed three Palestinian Jihad leaders and nine civilians, Hamas warned that "there will be a proportionate response whose details will be determined by the joint operations room of all factions."

While life has always been a constant struggle for Palestinians since Israel encroached their lands, under the current ultra-right-wing government headed by Benjamin Netanyahu and his cronies, survival

has become even more difficult. Israeli settlers have unabashedly ravaged Palestinian villages causing loss of lives and acres of farmlands, without any hope for justice. Israel, in all its mighty wisdom, surely could not have expected Palestinians to live day-in, day-out with a bloody axe hanging over their necks, waiting for the blow.

**Israel and the world community should now face the reality: the only way forward from here is a two-state solution as per the UN resolution of 1947, where Israel returns the Palestinians their lands and minds its own territories, and Palestinians live peacefully in their own.**

By pinning the Palestinians against the wall, Israel's ultra-right-wing government has brought this attack upon themselves. While Operation Al-Aqsa Flood exposes the intelligence failure of the rogue state, it also shows how they have greatly undermined the Palestinians' capacity to respond to constant ethnic cleansing and apartheid. October 7, 2023 has been termed the deadliest day of violence for Israel since the five-decade-old Yom Kippur War. More than 600 Israelis have been killed as of 8:30pm Sunday, and many Israeli soldiers and civilians have been taken hostage. Many Israeli military equipment and vehicles have

been seized by Hamas and Islamic Jihad fighters. On the Palestinian side, at least 350 people have been killed and at least 2,000 wounded, in Israeli attacks as part of Operation Iron Swords, in what Netanyahu termed a "mighty vengeance."

But this is nothing new for the Palestinians. As a result of decades of unjust subjugation, dehumanisation, and having become accustomed to enduring loss – of lives, loved ones, and belongings – the Palestinians have nothing more to lose, no hope for a dignified life. The Hamas and Islamic Jihad fighters embracing martyrdom have nothing to look back at except pain and trauma, especially because the international community has failed Palestine as well. While hypocritically the West and its allies have condemned Russia and empowered Ukraine, they have turned a blind eye to the Palestinians' plea for justice, for their right to self-determination.

Israel is not "at war," as Netanyahu has said. Rather, Israel – along with its shameless allies – is the architect and enabler of this war. Israel and the world community should now face the reality: the only way forward from here is a two-state solution as per the UN resolution of 1947, where Israel returns the Palestinians their lands and minds its own territories, and Palestinians live peacefully in their own.

Violence will beget more violence, and it will spill over to not only stain the region red, but it will have far-reaching consequences for the allies of both sides. This should not be allowed to happen.

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