

## "Yossi Shelley to head economic cabinet? Black humor"

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Talking to "Globes", Prof. Manuel Trajtenberg slams the government's handling of the war's economic impact, and warns that the deficit must not get out of hand.

Eight days after the outbreak of war, Minister of Finance Bezalel Smotrich and senior Ministry of Finance officials have presented the government's plan for dealing with the war's economic consequences. Among the measures proposed are a grant of up to NIS 1,000 per person for those evacuated from communities in the Gaza Strip border area, exemption from local taxes (arnona) for residents of the war zone, compensation for businesses that are harmed, relaxations for self-employed people, and an allocation of hundreds of millions for the health and internal security systems.

Speaking to "Globes", **Prof. Manuel Trajtenberg, an economist who is executive director of Tel Aviv University's Institute for National Security Studies**, said of the plan that the measures would not be enough to provide a significant response to the needs of the economy, and sharply criticized the government. He says that the state budget for 2024 should be cancelled and reformulated, and that the fiscal deficit must not be allowed to get out of hand.

"'Economic plan' is too grand a phrase to describe what has been proposed," says Trajtenberg, who twelve years ago headed the public committee on socio-economic change, following a wave of social protests in Israel. "The Ministry of Finance has presented a few tiny measures, no more than that. It's true that we're only in the tenth day of the war and the initial shock hit all of us. But the Ministry of Finance and other ministries still haven't pulled themselves together. Either they don't understand the magnitude of the event, or their leadership and professional capabilities are inadequate. We have been warning for months that the government has hollowed out the professional ranks in the public service and emptied them of quality people. Now we are paying the price."

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*For full interview:*

<https://en.globes.co.il/en/article-yossi-shelley-heading-economic-cabinet-black-humor-1001460341>