

Strategies we can employ in tariff talks with the US



Selim Jahan
is former director of the Human Development Report Office under the United Nations Development Programme (UNDP) and lead author of the Human Development Report.

SELIM JAHAN

The United States has announced that as of August 1, 2025, it will impose an additional tariff of 35 percent on goods imported from Bangladesh. The US President Donald Trump has communicated this decision in a letter to the chief adviser of the interim government, Prof Muhammad Yunus. This happened while the Bangladesh-US tariff negotiations were still on. The letter hinted that if Bangladesh further opens up its markets to US goods and services by removing tariff and non-tariff barriers, the US may reconsider some of the issues raised in the letter. The recently announced tariff rate of 35 percent is lower than the originally announced 37 percent. However, given that the existing average tariff for Bangladesh is already 15 percent, with a 35 percent increase, the effective tariff rate for Bangladesh will be 50 percent.

Such a high US tariff on products from Bangladesh will significantly impact the Bangladesh economy. The US is the single largest market for goods exported from Bangladesh. During the 2024-25 fiscal year, Bangladesh exported \$8.4 billion worth of goods to the US market, which represents 18 percent of the total Bangladeshi goods exports. About 2,377 manufacturing houses were associated with export to the US market. The US announcement of a tariff increase may put more than 800 exporting units under serious existential risk. It is feared that the announced tariff increase by the US may adversely impact Bangladesh's macroeconomy significantly.

In Bangladesh, more than 87 percent of the goods exports are RMG, and about 1,821 manufacturing units export these goods. It is a major source of foreign exchange earnings for the country. Bangladesh has been earning more than \$4 billion from RMG exports every year since 2000. The sector employs more than four million workers, 80 percent of whom are women. Therefore, with the announced



VISUAL: MAHIYA TABASSUM

tariff hikes, foreign exchange earnings from RMG exports may go down. It may also lead to job cuts in the RMG sector, as some of the production units will face closures. It goes without saying that the smaller factories will bear the brunt of the adverse impacts of the tariff hikes, and the female workers may be the worst victims of factory closure. The latter will have wider socio-economic and cultural dimensions.

In global RMG exports, Bangladesh holds the second position, next to China. But Vietnam has already emerged as a strong competitor of Bangladesh in RMG exports. Since the US has imposed only 20 percent tariffs on Vietnamese goods, naturally, Bangladesh may lose a large part of the US RMG market to Vietnam.

This raises several questions. For example, the issue of higher tariff rates has been talked

with the importance or with the level of consideration this multidimensional issue deserves. There was also a lack of strategic thinking. Many observed that government officials were engaged in the process in isolated manners, and coordinated efforts were absent. Two, the private sector was allegedly kept in the dark and was not included in the process of negotiations. Similarly, lobbyists, who often play a critical

additional benefits from the US.

However, there is still time for further negotiations, and if that opportunity is used efficiently and effectively, some additional benefits may be realised in the context of the increased US tariffs. Some points are important in that respect.

First, Bangladesh must understand the US position. For example, we must realise that the new US administration will no longer accept the structure of the World Trade Organization (WTO) and respect the accepted rules and regulations of international trade. Therefore, to raise those issues in trade negotiations with the US is meaningless. Bangladesh must assess what the real outlook and motives of the US are and formulate its trade negotiations strategy accordingly.

Second, since the US has been talking about reducing its trade deficits, Bangladesh may explore which US products we can potentially import in higher quantities. The country has already put some proposals in that respect, which may be re-evaluated. The mutual negotiations must also focus on the potential tariff benefits that Bangladesh may get if it provides some trade benefits to the US. Lobbyists may be employed to move this agenda forward.

Third, we must realise that the US has started the tariff war with a political agenda. We must find out that, in the context of that agenda, what considerations and outlook the US holds for Bangladesh. Those issues must be brought to the discussion table, as politics plays a role along with trade benefits. Both Cambodia and Vietnam have used it to get tariff exemptions.

Fourth, in trade negotiations, the importance of alliances with other countries can hardly be overemphasised. Negotiations may be bilateral, but positions taken must be collective.

Finally, more Bangladeshis, who have expertise in international negotiations and are familiar with the processes of trade deals, should be brought to the negotiation table. Such discussions and negotiations have a particular verbal and body language. Familiarity with those and using them in the Bangladesh-US tariff and trade negotiations is essential. Efficient and effective use of these trade negotiation strategies is likely to help Bangladesh realise additional benefits in tariff talks with the US.

Sohag's murder was not an anomaly, it was a warning



Md Kawzar Uddin
is associate professor in the Department of English and Modern Languages at the International University of Business Agriculture and Technology (IUBAT).

MD KAWSAR UDDIN

When Sheikh Hasina's authoritarian regime finally fell, millions across Bangladesh heaved a collective sigh of relief. The country had suffered years of political repression, corruption, and institutional decay. People hoped that with the dawn of the interim government, peace would return, justice would prevail, and power would shift back to the people. There was widespread anticipation that this change would bring not just a new administration but a new moral compass for the nation. Sadly, that optimism is beginning to feel increasingly more naïve.

The truth is difficult to ignore: the way the interim government is handling law and order raises serious concerns. Bit by bit, certain political groups seem to be asserting control, while individuals with political backing are terrorising ordinary people without fear of consequence. Given these developments, it's not unreasonable to say the government is

beginning to lose its grip, not because it lacks public support or opportunity, but because it appears either unable or unwilling to confront the deeply rooted alliance between crime and politics that has long corroded this country.

Instead of actively confronting the crimes committed by politically affiliated individuals, the government seems to be relying on some kind of moral awakening within party leaderships, as if things will somehow sort themselves out. But that's not how justice works. What we hoped would be a clean break from a violent, corrupt past is now starting to look like a quiet handover from one set of enforcers to another.

Nothing illustrates this breakdown more horrifically than the recent lynching near Sir Salimullah Medical College Mitford Hospital in Old Dhaka. A businessman named Sohag was murdered in broad daylight, his head

and body crushed with bricks and chunks of concrete. His bloodied, lifeless body was dragged and stomped on in front of hundreds of silent onlookers. Not one person intervened. Not a single voice protested. The cruelty was not committed in a dark alley or behind closed doors. It was an open performance of power, a terrifying declaration that: "we are above the law."

And why did no one resist? Because people knew, those eight or 10 killers were not alone. They had powerful backers, politically connected patrons who would shield them from consequences. The citizens were not silent because they lacked morality; they were silent because they lacked protection. In a country where criminals enjoy political sponsorship, to protest is to risk your life.

This is not a new story. What usually follows when a politically affiliated person commits a heinous crime and the public outcry becomes too loud to ignore is that the party in question swiftly distances itself. A press note is issued. A statement is read aloud condemning the act and disowning the perpetrator. The party claims it had no idea, and the person acted independently. But let us ask: is it really possible that such criminals, capable of instilling fear across neighbourhoods, committed their first crime "after" joining the party? Or is it more likely that they were already known thugs, embraced by political circles precisely because of their capacity for

intimidation and extortion?

The political ecosystem in Bangladesh has, for too long, depended on these enforcers, fundraisers, and vote-riggers. Parties need muscles to dominate local areas, silence dissent, and keep money flowing. As long as these criminals serve a purpose, they are protected. When they become liabilities, they are thrown under the bus, not for justice, but for damage control.

The interim government had a once-in-a-generation chance to break this cycle. With overwhelming public support, they could have launched a full-scale cleansing of the political-criminal nexus. They had the mandate. They had the moral high ground. They had the people, the police, the army, and the intelligence agencies. Instead, they chose half measures. Did the power vacuum left by the previous regime fill with backroom deals and political compromises instead of justice?

And this raises urgent concerns for the future.

If the interim government cannot stop extortion and mob violence today, how will it ensure free and fair elections tomorrow? What guarantee do we have that the upcoming polls will not be hijacked by the same muscle power we just witnessed near Mitford? How can qualified, honest leaders contest elections if the streets remain ruled by terror?

This is not just about political power, it's

about our survival as a democratic society. If violence becomes the language of political competition, then integrity becomes obsolete, and the ballot becomes meaningless.

We, the people, are watching. We did not rise merely to replace one set of oppressors with another. We rose to reclaim the soul of this country. But that soul is bleeding on the streets of Dhaka.

The gruesome killing of Sohag is not an isolated incident; it is a mirror. A reflection of what we have allowed to grow in our neighbourhoods, in our parties, and our institutions. It is also a warning. If we do not act now, if we do not demand accountability, we will all remain hostages to a system that thrives on fear.

So let us be clear. There is no place in Bangladesh for political parties that harbour criminals. There is no room for law enforcement agencies that look away. And there is no excuse for a government, interim or elected, that fails to act.

This is not about left or right, old or new. This is about civilisation versus chaos. We must stand together to dismantle the machinery of political violence, no matter who benefits from it. We must uproot not just the thugs on the streets but also those in suits who give them orders from the shadows.

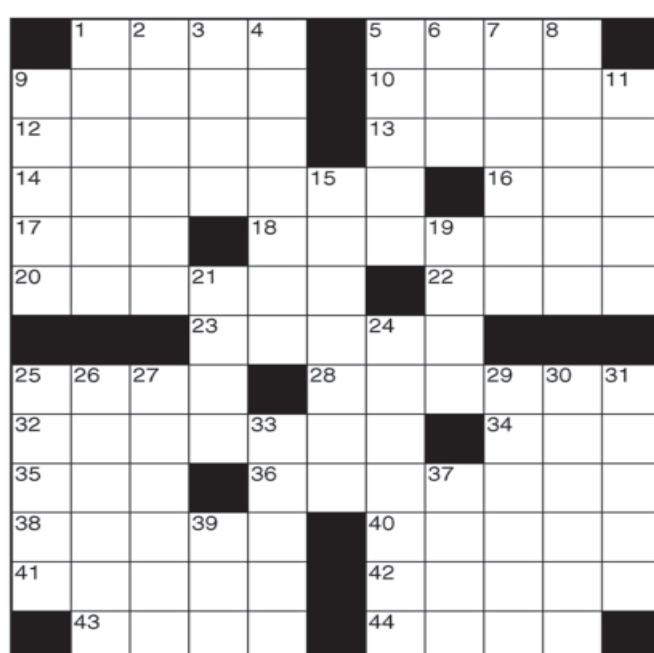
Sohag is gone. Tomorrow, it could be you. Or me. Let this be the revolution we finish, not the one we abandon.

CROSSWORD BY THOMAS JOSEPH

- ACROSS**
1 Green stone
5 Calls on
9 Tinseltown setting
10 Fabric bundles
12 Cover words
13 Admit (to)
14 West Indies island
16 Wedding words
17 Original
18 Composer Salieri
20 Inundates
22 Day divider
23 Moral code
25 Fencing weapon
28 "Hold on ..."
32 Stag's pride
34 Mess up

- 35 School setting
36 Insect feature
38 Mah-jongg pieces
40 John of Plymouth
41 Pizzeria buy
42 Racket
43 Falls back
44 Color
- DOWN**
1 Door frame maker
2 Play part
3 Famed surrealist
4 Swanky
5 Wolf pack member
6 Scatter seeds
7 Weather-changing current

- 8 Painter's place
9 Flea market unit
11 Tea stirrer
15 Like the strong Samson
19 Formerly
21 Healthy
24 Blink of an eye
25 Extreme diets
26 "The Iceman Cometh" playwright
27 Roma's land
29 Remit
30 Composer Bloch
31 Origami bird
33 Lets up
37 "The Time Machine" tribe
39 Heart chart, for short



YESTERDAY'S ANSWERS

