

# The Daily Star

FOUNDER EDITOR: LATE S. M. ALI

## Tread carefully as new tariffs kick in Bangladesh under pressure as global trade tensions escalate

A new and more perilous chapter in global trade has begun. With the imposition of a 20 percent tariff by the United States, the total duty levied on Bangladesh's vital garment sector now climbs to a punishing 36.5 percent. Our largest export market has suddenly become a far more expensive arena. This is not an isolated squall but part of a much larger storm. The immediate impact is as sharp as it is severe. Exporters face intense pressure from US buyers to absorb the new costs within their already razor-thin profit margins. The very competitiveness of our ready-made garments is at stake.

Yet this moment of crisis is also a test of the nation's resilience and an opportunity for the manufacturing sector to reaffirm its strength. The government and industry leaders believe Bangladesh can weather this, leveraging a hard-won reputation for bulk and timely delivery. The path forward, however, cannot be one of passive hope. It demands a steady hand. The government must continue its diplomatic engagement with Washington, aiming for further negotiations to mitigate this tariff burden.

President Donald Trump's trade decisions pushed American import duties to their highest level in a century, as a new, more contentious era of trade rivalry is playing out. The increases were implemented despite frantic, last-minute lobbying by various countries desperate to escape the levies. In a punitive action against New Delhi's continued purchases of crude oil from Moscow, the US president has now hit India with an additional 25 percent tariff. This comes on top of an existing 25 percent duty imposed after the two nations failed to reach a trade deal before the August 1 deadline—bringing the total tariff on Indian goods to a staggering 50 percent. Whether this new tariff landscape will create a competitive opening for Dhaka remains to be seen.

For Bangladesh, a strategic pivot is essential. Manufacturers must aggressively pursue the diversification of export markets, as the vulnerability of over-reliance on a single trading partner has now been laid bare. This external push must be matched by internal fortification: we must strengthen the industry's backward linkages as an economic necessity. The government, in turn, must encourage and incentivise innovation. The goal must be to help manufacturers move relentlessly up the value chain, from basic apparel to more complex and higher-margin products. In this new global marketplace, it is also time to champion our commitment to sustainable and ethical manufacturing.

The winds of global trade have shifted, perhaps irrevocably. Navigating this new landscape calls for Bangladesh to be both careful and strategic. Our future prosperity depends on it.

## EC must create level playing field for all Security, administrative neutrality key issues as we approach the polls

After protracted tensions over the timing of the 13th parliamentary elections, the confirmation of a February date by Chief Adviser Prof Muhammad Yunus on Tuesday should dispel any doubts in this regard. Reportedly, Yunus has already instructed the Election Commission to complete all arrangements before Ramadan in February. Barring any disruption to this timeline in the ensuing months, the country is officially on the path to its next election. The test now lies in ensuring that this path remains democratic. One concern flagged by some parties involves creating a level playing field so that all parties have a fair chance of participation. This is a legitimate concern given the disturbing trend of crimes, political violence, and security lapses seen over the past months. Can the government limit their effect in electioneering?

It will undoubtedly be very challenging. A recent report by the Transparency International Bangladesh (TIB) has presented an unflattering portrayal of ongoing political and administrative practices. It highlighted how political parties, and politics in general, remained hostage to authoritarian practices of the past. Political violence, for instance, remains rampant, with 121 people killed and 5,189 injured in such clashes between August last year and June this year. Extortion by politically connected actors also remains widespread. Many were found to be involved in orchestrating mob attacks, or exploiting dubious cases against rivals. Politicisation of state institutions, including in the judiciary, has also continued. The performance of law enforcement agencies has been similarly disappointing, as they continue to allow arbitrary cases and detentions, while crimes of all sorts persist as before.

That being the situation, how can we trust that there will be a level playing field for all parties—old or new, small or large—and that the election will be free from violence or partisan influence? If the government wants to set an example for the future, it must take a critical look at all the institutions and stakeholders involved with the election, and ensure that everyone acts within the bounds of the law, without bias or undue influence. We are encouraged to learn that the EC and the home ministry have already set to the task of finalising their action plans. Reportedly, the ministry is planning to reshuffle DCs, SPs, UNOs, and OCs through a lottery to minimise administrative bias, and to speed up recruitment, training and other preparations. These efforts, however, must equally focus on the lead up to the election to ensure proper electioneering. The EC, on the other hand, must establish a firm grip on the entire electoral process.

As we approach the election, it is crucial to rein in politically affiliated actors who can abuse their power, hold law enforcement agencies accountable for any rights or rules violations, and restore neutrality across all relevant state institutions.

## THIS DAY IN HISTORY

### Resignation of US President Nixon



Faced with the near-certain prospect of impeachment for his role in the Watergate scandal, US President Richard M Nixon, whose administration opposed Bangladesh's Liberation War, announced his resignation on this day in 1974.

## JULY DECLARATION

# Where is the roadmap for our future journey?

### Denigration of our Liberation War will never be acceptable



#### THE THIRD VIEW

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#### MAHFUZ ANAM

Condemn Sheikh Hasina's rule of over 15 years as much as you want, as there is enough fact-based evidence to do so. (See our recent investigative stories, including the one published on Thursday, August 7). But don't denigrate our freedom struggle, our greatest source of pride, the moment when our people made the biggest sacrifice ever. Our *Muktijuddho* is indelibly etched in our hearts, minds, and consciousness. True history will never permit its denigration, although contrived history may. But that "history" will never stand the test of time. That is the lesson of history.

Wasn't the July Declaration meant to chalk out our future on the basis of the values that the uprising represented? Wasn't it supposed to provide a roadmap of how Bangladesh will achieve the goals that the past oppressive regime prevented?

Instead, we have another example of rewriting history.

Whatever may be the stance of independent political parties, the interim government's position must have some authentic base. What Prof Yunus read out as the chief adviser—and which is being proposed for incorporation into our constitution—is but an instance of a "cherry-picked" version of our past.

In the July Declaration, we have a two-paragraph version of our freedom struggle that gave us an independent country. The two paras include a reference to colonial rule and 23 years of "authoritarian Pakistani regime." We "established the state of Bangladesh through a bloody Liberation War following the Declaration of Independence on March 26, 1971." The following para says "... the people of Bangladesh made the utmost sacrifice through a long struggle to materialise a liberal democratic state ... based on equality, human dignity, and social justice..."

That was the depiction of our 23 years of struggle against Pakistan's military and brutal rule.

There is no mention in the declaration of our Language Movement and the first killing of students in the newly formed Pakistan and the birth of "Ekushey February." There is no reference to the historic election of 1970 that gave our political leadership—represented at that time by the Awami League (AL)—the legitimacy to speak on behalf of the people. It was because the leaders were elected that the then political leadership could "declare" independence when the Pakistan Army attacked us in the most brutal and barbaric manner. The election was most crucial for us to form the "government in exile" and gain international support, without which we could not have carried on with our independence war.

In addition, it is shameful that Prof Yunus, as head of the government, read out a document that did not mention "genocide" committed by the Pakistan

army that started with unparalleled brutality on the night of March 25, 1971. There may be some controversy about the figure of three million people killed, but there is no doubt that hundreds of thousands of innocent men, women and children were indiscriminately killed just because they were Bangalees, citizens of East Pakistan.

There were 10 million refugees—the UNHCR called it the "largest single displacement of refugees in the second half of the century"—who took shelter in India, where they received food and medicine for the nine months of the war. (We later had many issues with India, especially on sharing water and many others, but their role in support of our struggle for independence will remain a part of history.) Millions more were displaced internally, pushing families



This photo, taken on August 3, 2024, shows how the Central Shaheed Minar inspired the July Uprising. Yet, the Language Movement did not find a place in the July Declaration.

FILE PHOTO: NAIMUR RAHMAN

into economic distress and leading to widespread disease and death.

The declaration also does not mention *Mukti Bahini*, who are heroes of the most glorious phase of our history. Dhaka University, which is the centre of the July Uprising, was also the centre of the creation and propagation of the *Mukti Bahini* at that time.

What about the indiscriminate rape of our women by the Pakistani army? Ethnic cleansing was a part of state policy of Pakistan during those crucial nine months. A recent book titled *The Vortex: A True Story of History's Deadliest Storm, an Unspeakable War, and Liberation*—by Scott Carney and Jason Miklian—adds invaluable evidence to the already established ones.

In 1971, Prof Yunus himself was an active member of an expatriate group in the US who, along with others, did invaluable work to propagate the legal and moral justification of our Liberation War. He met US senators, political leaders from both the Republican and Democratic party, and wrote pamphlets and media articles depicting our struggle. What did he say

though—for women. They constitute 50 percent of our population and there is not even a mention about their plight.

What stunned us is the absence of any special focus on the youth in the document. It is the youth who gave us an opportunity to build a new Bangladesh. In several conferences, Prof Yunus eulogised the role of the youth and pinpointed their importance in building a future not only of Bangladesh but of the whole world.

In para 9 of the July Declaration, Sheikh Hasina's regime is called "anti-people, autocratic, against human rights that turned Bangladesh into a fascist, mafia and failed state and thereby tarnished Bangladesh's image." There is enough ground to accept all the charges, but was Bangladesh a "failed state"? Forget everything else, are we not graduating from LDC to a middle-income country status? Didn't this government itself refuse to postpone the "graduation" time, as requested by the business community, as we are ready? Is this possible graduation a sign of a "failed state"? Are we not "tarnishing" Bangladesh's image now?

stuck in my mind and forced me to ponder that question. Then, it dawned on me that not only are we obsessed with the past, but we also think nothing of distorting it. We love to suit it to our own political and ideological perspective, whatever may be the cost in terms of credibility, authenticity and building trust. Even when we repeatedly see that "contrived history" falls with the fall of regimes, we have no qualms in blatantly replacing facts with our own fancied version of it. Much of our intellectual community, who toed the lines of this group or the other, are guilty of it.

We have suffered enough at the hands of "tailor-made" history. The time has come to learn from that mistake and not repeat it. We remember how, with regime changes, school textbooks changed too; how recognised and highly respected authors got dropped because of a particular regime's likes and dislikes. Because we tinker with the past, we are unable to build a future of stability and trust. This time, we should not make that mistake again. In a relentlessly evolving, AI-dominated world, we may not get another chance.

# Who pays when the roads are blocked?

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#### MOHAMMAD NAVEED AHMED

Every time political or ceremonial events take over the streets in Bangladesh, it is the ordinary citizens, "the mango people," who silently pay the price. Small traders, informal workers, and roadside vendors are the first to suffer when traffic comes to a halt, deliveries are missed, and perishable goods go bad.

The economic cost of road blockades is not an abstract concern. It plays out visibly, as it did on August 6, when Dhaka was brought to a near standstill by celebratory processions and street programmes. While supporters of political parties waved flags and

loudspeakers blared, the city's arteries choked. Delivery vans were stuck for hours, online orders were cancelled, office-goers were stranded, and many daily earners—who often survive on a few hundred takas a day—went home empty-handed. The irony is that even when there is no political unrest, the culture of blocking roads for rallies and commemorations has the same suffocating effect on commuters, small business owners, and informal workers.

Over 78 lakh SMEs in Bangladesh employ more than two crore people and account for about 27 percent of the country's GDP. These livelihoods are often dependent on road transport. A half day of blocked streets means halted deliveries, lost inventory, and cancelled sales, especially for perishable goods like fruits, fish, and dairy.

In 2023, an Al Jazeera report cited the Federation of Bangladesh Chambers of Commerce and Industry

(FBCCI), which stated that the ongoing blockades were causing Bangladesh's economy to lose Tk 6,500 crore per day. This trend persists to this day. And the greatest burden of this loss is borne by the poor, not really by the large corporations or organisers of political parties.

The situation worsens for small businesses due to systemic and structural unfairness. Generally, large businesses can adapt as they have warehouses and can use alternate routes. The wealthy can stay home or shift to online services. But the "mango people" do not have that luxury. For them, every hour of gridlock is a step closer to poverty. And when gridlock comes not just from political unrest but from celebrations and rallies, the message is even clearer: their time, work, and survival are dispensable.

This trend must be reversed. I think the following steps will make a difference: i) creating emergency

movement protocols; ii) ensuring stricter regulation of road occupation; iii) protecting informal livelihoods; and iv) enforcing transport discipline. Essential and perishable goods must be allowed passage during all major events, closures, or celebrations, and rallies must be time-bound and limited in scope. Such events should be held in designated zones away from economic corridors. Furthermore, urban mobility plans should ensure that no single event can paralyse the capital's transport for hours.

August 6 was just the latest example—but protests, blockades and other street programmes are a recurring nightmare for small traders and workers. These people do not gain anything from symbolism, and yet they lose the most. If we want an inclusive and just Bangladesh, the "mango people" must be given the freedom to move, to trade, and to earn—no less than anyone else.