

TARIFF APPEAL Trump to ask Supreme Court for 'expedited ruling'

AFP, Washington

US President Donald Trump said Tuesday that he plans to seek a swift ruling from the Supreme Court as his administration pushes to overturn a court decision that found many of his tariffs illegal.

"We're going to be going to the Supreme Court, we think tomorrow, because we need an early decision," Trump told reporters.

He added that he would ask for an "expedited ruling," warning that "if you took away tariffs, we could end up being a third-world country."

The US Court of Appeals for the Federal Circuit, in a 7-4 ruling on Friday, had affirmed a lower court's finding that Trump exceeded his authority in tapping emergency economic powers to impose wide-ranging duties.

"We're going to be going to the Supreme Court, we think tomorrow, because we need an early decision," Trump told reporters

But the judges allowed these levies to stay in place through mid-October, giving Trump time to take the fight to the Supreme Court. On Tuesday, Trump claimed that the stock market was "down because of that."

"The stock market needs the tariffs. They want the tariffs," he said.

Wall Street's major indexes retreated Tuesday as uncertainty surrounding the fate of Trump's duties dragged on.

Since returning to the presidency, Trump has invoked the International Emergency Economic Powers Act to impose "reciprocal" tariffs on almost all US trading partners, with a 10-percent baseline level and higher rates for dozens of economies including the European Union and Japan.

He tapped similar powers to slap separate tariffs on Mexico, Canada and China over what Trump said was the flow of deadly drugs into the United States.

Friday's ruling did not however impact sector-specific tariffs like those on steel, aluminum and autos, which were rolled out under different authorities.

The decision still marks a blow to the president, who has wielded tariffs as a broad economic policy tool.



PHOTO: MONG SING HAI MARMA

Vegetable terraces blanket a hillside in Bandarban, replacing traditional jhum cultivation for better profits and feasibility.

From jhum to vegetable farming: A new trend in Bandarban

MONG SING HAI MARMA, Bandarban

Just a few years ago, jhum farming defined the landscape of Chimbuk's hillside areas of Sualok and Tongbati in Bandarban Sadar upazila. Farmers cleared forest patches, burned undergrowth, and planted rice, maize, or spices. After harvest, the land would be left fallow for years to recover its fertility.

That scenery has changed dramatically, with lush green vegetable fields taking over the areas these days.

Farmers from the Mro, Marma, and Tanchangya communities are now planting cucumbers, bitter gourds, yardlong beans, and pumpkins on lands that once yielded only jhum rice. The reason is simple: better returns, quicker harvests, and fewer hassles.

"Vegetable farming is less expensive and gives quicker returns," Patui Mro, a farmer from Tongbati, said, standing beside his thriving cucumber plot.

"Earlier, we had to wait months to harvest jhum rice and then transporting it to the market cost a lot. Now buyers come straight to our fields. We earn more and spend less," he added.

Nearby, in Sualok Majher Para, farmers Swe Kyaw Marma and Bado Marma shared similar experiences.

Cucumbers now sell at Tk 30 per Kilogramme (kg), bitter gourds at Tk 40, and yardlong beans at Tk 40-Tk 50 directly from the fields.

"The money comes in regularly," Swe Kyaw said with a smile. "We can now plan for our children's education and other needs."

For many families, vegetable cultivation has brought a revolutionary change. Jhum required limited cultivation and harvest. But with vegetables, multiple harvests are possible in a single season.

"With jhum, we waited for one harvest a year. Now, we can grow two or even three



crops. It's changing our lives," said Sukumer Tanchangya, a farmer.

Local traders have stepped in to bridge the gap between remote farms and big markets.

"We collect vegetables directly from the fields and deliver them to main dealers in Chattogram's Caranihat," said Md Faruque. "From there, the produce goes to Cox's Bazar Rohingya camps, Chattogram city, Cumilla, and even further afield."

The farmers no longer have to worry about transportation or unsold crops, said Md Bashir, who does similar work to Faruque. "The growing demand for fresh produce means regular cash flow and more financial security."

Mohammad Shah Newaz, deputy director of the Department of Agricultural Extension in Bandarban, told The Daily Star that the shift marks "a new milestone" for hill agriculture.

"Vegetable farming is helping reduce dependence on jhum cultivation, which often leads to forest clearing," he said.

"But we must also focus on soil fertility and water management so that farming does not harm the fragile ecosystem in the long run," he added.

He also warned that excessive use of pesticides in commercial vegetable farming could harm biodiversity, as many hill birds, insects, and animals depend on fruits and crops for survival.

While more improvements can surely be made, for hillside farmers, the change in cultivation is akin to a fresh start in life.

"We are earning more than before. This year, I used my earnings to repair my home," said Paraw Mro, a farmer in Sualok. "For us, this is hope for a better future."

Slow repatriation weakens our investment appeal

MASUD KHAN

Multinational companies in Bangladesh continue to face obstacles in sending funds abroad, whether as dividends, technical service fees or capital repatriation during exit or restructuring. Though permitted by law, these transactions are often delayed by regulatory bottlenecks, excessive paperwork and inconsistent interpretations by the authorities.

Dividend repatriation, while allowed under the law, is frequently bogged down. Each transaction must be approved by the Bangladesh Bank and authorised dealer banks, whose cautious approach causes prolonged processing. Companies are required to submit extensive documentation, including audited accounts, tax clearance certificates and evidence of the original capital inflow, sometimes dating back decades. Even after approval, shortages of foreign exchange at banks can hold up currency conversion. Tax disputes add further delays. Although Bangladesh has Double Taxation Avoidance Agreements (DTAAs), remittances are often stuck due to disagreements over residency documents and varying interpretations of tax rules.

Royalties, technical service charges and management fees face similar hurdles. These payments usually require prior registration with the Bangladesh Investment Development Authority (Bida) and approval from the Bangladesh Bank, particularly if they involve related parties or exceed specified thresholds. Regulators often question whether services were actually delivered, even when backed by intercompany agreements and benchmarks. Transfer pricing rules are frequently cited by the National Board of Revenue (NBR), but without an advance pricing agreement framework, companies are left exposed to disputes and uncertainty.

Repatriating capital during exits or restructurings is the toughest challenge. Even with full documentation, central bank approval can take months. Valuation disputes are common, with the BB discounting internationally certified assessments and approving only a portion of the proposed remittance. Clearance from the revenue board is also required. Without a clean tax assessment and a no-objection certificate, payments are typically blocked. Older investments face the additional burden of proving the original capital inflow, records that may no longer exist.

The merger of Lafarge Surma Cement with Holcim Bangladesh is a telling example. An international valuation was commissioned and approval sought from the BB for cross-border payment. The process took more than a year, and only half of the proposed amount was cleared. The group had to absorb the difference internally, showing the unpredictability of cross-border mergers and acquisitions involving foreign capital.

These delays reflect deeper structural issues. Despite formal commitments to current account convertibility, regulatory behaviour remains control-oriented. Banks, wary of audits, impose extra compliance layers. In 2023, severe foreign currency shortages delayed even approved remittances, although liquidity has since improved. Sudden rule changes by regulators add to the uncertainty, forcing companies to devote excessive resources to compliance.

The consequences are far-reaching. Investor confidence weakens when capital and profits cannot move freely. Foreign direct investment suffers as Bangladesh looks less competitive than countries with faster and clearer repatriation processes. Business costs rise as firms deploy extra teams to handle paperwork, follow up with regulators and interpret shifting rules.

Targeted reforms could ease the problem. Routine transactions such as dividends should follow a pre-approved protocol. With growing scrutiny by the revenue board, introducing advance pricing agreements would help resolve uncertainty over royalties and service fees. Time-bound approval frameworks must be enforced across the BB and the NBR. A digital, integrated portal linking the central bank, Bida, NBR and Registrar of Joint Stock Companies and Firms would automate approvals, track progress and reduce discretion. International valuations by reputable firms should be accepted unless challenged within a defined period.

Bangladesh has made considerable progress in attracting foreign investment. To unlock its full potential, it must treat capital mobility not as a concession but as a right. In global business, reputation follows repatriation, and the ability to exit with clarity is as important as the freedom to enter.

The writer is chairman of Unilever Consumer Care Ltd



US limits TSMC chipmaking tool shipments to China

AFP, Washington

President Donald Trump's administration has revoked Taiwanese semiconductor giant TSMC's authorization to export US chipmaking equipment to China without a license, further restricting access to US technology in the country.

The move comes as the US Commerce Department moved to end the "validated end-user" (VEU) program allowing select foreign semiconductor manufacturers to export US-origin goods and tech license-free to make chips in China.

"TSMC has received notification from the US Government that our VEU authorization for TSMC Nanjing will be revoked effective December 31, 2025," said a spokesperson for Taiwan Semiconductor Manufacturing Company on Tuesday.

"While we are evaluating the situation and taking appropriate measures, including communicating with the US government, we remain fully committed to ensuring the uninterrupted operation of TSMC Nanjing," TSMC added in a statement.

TSMC is the world's largest contract maker of chips that are used in everything from smartphones to missiles, and counts Nvidia and Apple among its clients.

But the center of its most advanced manufacturing remains in Taiwan, the self-ruled island Beijing claims as part of its territory.

Taiwan's economic ministry said Wednesday that the US move was expected to "affect the predictability of the plant's future operations."

REUTERS, Hong Kong

China's economy is a study in contradictions. Decades of centralised industrial planning in China have led to endemic overcapacity, which in turn has fuelled destructive price wars across an array of sectors. Yet Beijing's approach, for all its flaws, also helped create world-class corporate champions like electric-car maker BYD. Officials now want to curb what they call "disorderly competition" in the booming \$140 billion artificial intelligence sector. There is some logic to intervening, but that will come at a cost.

Unlike with EVs or solar panels, it's not clear what exactly about AI is worrying China's economic planners. On the contrary, optimism is buoying the sector, which combined with infrastructure and other related sectors will be worth \$1.4 trillion by 2030, analysts at Morgan Stanley reckon.

Such optimism has pushed the Hang Seng Tech Index in Hong Kong up 30 percent this year, outperforming the mainland benchmarks. There is some justification for the hype. Despite US sanctions and export restrictions, DeepSeek, Alibaba and peers are still churning out open-source models that are competitive with, if not superior to, those

from Meta, OpenAI and others in the West.

Chatbots and agents are proliferating across the country. Alibaba last week revealed that surging demand for AI services powered triple-digit year-on-year growth in related revenue. And chipmaker Cambricon

Technologies revealed that its first-half revenue rocketed more than 4000 percent from a year ago, albeit from a low base.

But there's caution, too. Cambricon's Shanghai shares had doubled since the end of July. On Friday, hours before



PHOTO: AFP/FILE

People watch a robot performing tasks at an exhibition during the World Artificial Intelligence Conference in Shanghai. An official from China's top economic planner said that the government will prevent excess and disorderly competition in AI.

China backseat driving risks sending AI off course

Beijing stated its willingness to intervene in the industry, the \$88 billion company took the unusual step of warning investors that the stock price may have "deviated from the company's current fundamentals", triggering a selloff.

To be sure, pockets of wasteful investments are bubbling up. It's reminiscent of the mad scramble playing out among US tech giants, which analysts at research outfit IDC forecast, will spend a whopping \$336 billion in 2028 on AI. In the People's Republic, local governments desperate to hit growth targets have embarked on a debt-fuelled spree to hoard chips and build data centres - many of which are sitting idle. And price wars are intensifying in what one tech executive dubbed "a war of a hundred models", even as business models remain hazy.

Yet the authorities now intent on coordinating the country's AI development and resources do not have a strong record of picking winners, particularly in sectors where the technology is rapidly evolving. Semiconductors are a prime example: the government has deployed billions of dollars into state-designated champions, only to see many go bust, including Wuhan Hongxin Semiconductor Manufacturing and Tsinghua Unigroup, whose former chairman was jailed for corruption and embezzlement.