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US Supreme Court ruling on global tariffs

How will it affect the US-Bangladesh trade deal?

The US Supreme Court ruling has struck down President Donald Trump's global tariffs and declared them illegal. The ruling declared that the US president had exceeded his authority under the International Emergency Economic Powers Act (IEEPA) by imposing sweeping reciprocal tariffs without congressional approval. This would invalidate the legal foundation of Trump's "reciprocal" tariffs, which many countries, including Bangladesh, urgently tried to renegotiate. For Bangladesh, especially the lowering of tariff to 19 percent may have seemed like a big relief, but it has come with a trade deal with the US that has rigid compliance conditions. In reaction to the ruling, Donald Trump, invoking Section 122 of the Trade Act of 1974, has announced an imposition of a flat 10 percent tariff on most countries.

What is most baffling, however, is why the interim government was in such a rush to sign the deal on February 9, just 72 hours before our national election, particularly when the issue was under the US Supreme Court's scrutiny. Critics have questioned the transparency and democratic legitimacy of an interim government signing such a long-term, binding agreement. The current foreign minister, who was the chief negotiator of the deal as an adviser of the interim administration, must explain why such haste and such constraining clauses were accepted. The nation deserves to know.

Now that the deal has been signed, does the new government have any options to back out or renegotiate? The agreement (Article 6.6) does not typically take effect until 60 days after "applicable legal procedures" are complete. Can the new parliament simply refuse to ratify without consequences? Bangladesh's commerce ministry has already suggested the US Supreme Court's verdict may mean the February 9 deal "loses its legal basis." However, walking away from a deal with the Trump administration would be a risky move with potentially swift consequences for Bangladesh. President Trump is known for viewing trade as a zero-sum game, where any perceived loss for the US could be treated as unacceptable and result in retaliation. Bangladesh's new administration is thus in a delicate spot. On February 18, Trump sent a congratulatory letter to Prime Minister Tarique Rahman. Apart from the good wishes, the latter explicitly urged him to maintain the "tremendous momentum" of the trade deal and take "decisive action" on defence pacts. The uncertainty regarding the deal, therefore, remains.

Bangladesh must urgently reassess the agreement clause by clause. This means identifying provisions that have become redundant by the invalidation of reciprocal tariffs, commitments that are still enforceable, hidden fiscal or procurement burdens, and regulatory obligations that will affect industrial policy. Bangladesh will therefore have to step cautiously and continue to engage with the US constructively. It must express its respect for the US legal process and its commitment to mutually beneficial trade. Most importantly, Bangladesh must renegotiate to firmly protect its national interest.

Prioritise mosquito control

City govts must take proactive action

The short winter this time has brought in the menace of Culex mosquitoes for Dhaka citizens earlier than usual, and as always, our city corporations have largely failed to predict and manage the situation. According to a report in this daily, the worst affected areas include Mirpur, Eskaton, Ramna, Gandaria, Mohammadpur, Razabazar, Tejturibazar, Uttara, Hazaribagh, Kamrangirchar, Hatirpool, Moghbazar, and parts of Old Dhaka, among other places.

Although officials of both Dhaka North and South City Corporations claimed that mosquito control drives are ongoing, these have reportedly been sporadic and largely ineffective. According to experts, the methods being used—fogging and spraying larvicides—are not sufficient to control the Culex population. Culex mosquitoes lay eggs in ditches, drains, and sewers during the dry season, when the water in these depositories becomes stagnant due to lack of rainfall. Since there was a small number of cold days this winter, the warmer conditions of breeding grounds acted in the Culex's favour. In fact, as an entomologist told this daily, the current density of Culex mosquitoes is unusually high, about 40 percent higher than in December. Therefore, proper cleaning of drains, ditches, and sewers to ensure free flow of water is crucial.

Something as basic as the birth cycle of mosquitoes common in our country should not be unknown to city officials. Yet, proactive action and planned measures appear absent or insufficient year after year. The authorities must realise that climate change is, and will be, affecting mosquitoes' breeding seasons, and so control efforts must be designed accordingly. While the absence of elected representatives has partially impacted the operations of city corporations in the last 18 months of interim administration, this alone cannot be a reason for the slow and lacklustre mosquito control measures. City officials, too, are accountable to the public and must ramp up efforts in line with expert advice.

More importantly, they must heed experts' warnings that the dengue season may start earlier this year. Since temperatures did not drop significantly during winter, the Aedes population remained intact. This means the first rain could potentially release scores of dengue carriers. We hope the newly elected administration will not wait for a city government election to adopt an Integrated Mosquito Management System—a unified system covering surveillance, source reduction, appropriate insecticide use, community engagement, etc.—not just in the capital but across the country. The preventable menace of mosquitoes and related diseases should be easy to control if priorities, funds, and, above all, political will are firmly in place.

Why do voters elect controversial politicians?



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In a typical model of democracy, the electoral process is designed to perform two functions simultaneously: it acts as a filter to select leaders with the potential to serve public interest, and as a disciplinary tool to "purge" those with the potential to abuse power and betray public trust. The benchmark theory suggests that if an incumbent, for instance, is identified as corrupt, voters—armed with this information—will cast them out in the next election.

However, the reality in Bangladesh presents an unsettling contradiction to this theory. The country seems trapped in what may be termed the "Bangladesh Paradox": a state of adverse selection in which transparency does not necessarily lead to rejection. Instead, individuals associated with alleged bank loan defaults, tender manipulation, or other abuses of power are often returned to office. This is less a failure of civic virtue than a rational response to a broken institutional environment where voters reward perceived effectiveness, or "raw capability," over moral integrity.

To understand why this happens, one needs to turn to the economics of information. The 2001 Nobel laureates in economics—George Akerlof, Michael Spence, and Joseph Stiglitz—demonstrated that informational imperfections, where knowledge is imperfect or asymmetric, systematically generate market failure. In a healthy market, if a buyer knows a car is a "lemon" (defective or low-quality), they will not pay the price of a "pristine vehicle" (high quality) for it. In Bangladesh, however, the "lemon law" of economics has been turned on its head.

The problem is not asymmetric information (that is, voters being deceived); it is symmetric information, or rather, the reaction to it. Voters often know who these candidates are, including their past controversies and their methods. They still choose them because, in a weak institutional environment, evidence of a candidate's ability to manipulate or "work" the system is interpreted not as a disqualifying lack of integrity, but as a perverse signal of "fitness" or raw capability required to deliver results in a lawless landscape.

Recently, there have been allegations that a number of loan defaulters and questionable millionaires have made it to the 13th parliament. According to data provided by SHUJAN, 147 out of the 297 elected candidates have carried bank loans, with the loans of 36 exceeding Tk 5 crore. About 126 of these

MPs are affiliated with BNP alone. The question is, why would voters choose a leader of potentially questionable background? The answer lies in a real-life calculation. In a patronage-mediated polity, the more rational voter may seek to maximise expected access or benefits, such as protection from administrative harassment, preferential treatment, employment opportunities, a degree of security in an uncertain environment, etc.

In this context, a "clean" candidate is an unknown quantity, a potential risk. They may possess integrity, but they are often perceived as lacking the organisational reach or administrative control required to translate a vote into protection and services. By contrast, a questionable candidate with a track record of wielding power becomes a preferred instrument of survival. When the state fails to provide services as a matter of right, voters are compelled to "purchase" them by giving their vote to a powerful patron. The relevant electoral question then shifts from "who is honest?" to "who can deliver?"

When defensive voting rewards those with money, muscle, and administrative reach, the system suffers from adverse selection: it attracts the "wrong type" of person to power—those most attracted to it but often least suited to hold it. Once these actors are in office, moral hazard follows.

Leaders who realise that their strength lies in organisational dominance rather than institutional performance have no incentive to dismantle the very structures that have secured their success. Discretion becomes more valuable than rules, and control over local administration becomes more valuable than institutional neutrality. In Bangladesh,

In a patronage state like Bangladesh, the cost of being on the losing side is immediate and personal, while the benefits of integrity are distant and uncertain. Voting therefore becomes a portfolio decision under institutional failure: citizens hedge against exclusion rather than invest in long-term governance. The ballot is no longer a moral instrument but a



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survival strategy. As long as access to credit, contracts, protection, and public services remains politically mediated, a rational voter may continue to prefer a candidate who can control the system over one who promises to reform it.

So, breaking the Bangladesh Paradox requires more than informing voters; it requires lowering the cost of voting against patronage. The transformation has to be institutional rather than rhetorical. Hospitals must treat patients by rule, not by recommendation. Bank lending must follow enforceable contracts, not political connections. Police must respond to citizens' needs, not to partisan signals. Businesses must operate without paying for protection. When daily life can be navigated without the shelter of a patron, the perceived risk of supporting a cleaner political option will fall sharply.

The 2024 uprising finally broke the seemingly permanent grip of Awami League, and the February 12 election installed BNP back to power. The nation now stands at a pivotal crossroads. There is a fervent expectation that BNP has learned a critical political lesson: the cycle of "bureaupolitigraft" is no longer a sustainable path to political survival. The same fate that befell the previous regime could loom much earlier than a 15-year horizon if the new leadership fails to reform to establish the rule of law in governance.

What sustains this equilibrium is not ideology but risk management.

Markets abroad balance profit and festival spirit, why can't we?



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There is something remarkable about how markets operate abroad during major festivals, especially in the final weeks preceding a holiday. Instead of hiking prices, retailers slash them significantly.

For instance, Christmas in the UK—the biggest festival in the West—triggers massive retail discounts. A kilogramme of carrots, a staple of the Christmas roast, that usually sells for one pound (approximately Tk 165) is sold for as low as 15 pence (Tk 24) during the festive week. Similarly, a 2kg bag of potatoes or parsnips, usually priced around one pound per kg, can be found for under 20 pence. Even the traditional six-pack of mince pies, which usually costs two to three pounds, is often offered for one pound or less in December.

This trend isn't exclusive to Christmas. In Muslim-majority neighbourhoods in the UK, the same phenomenon occurs before Ramadan. Where I live, big discounts on Asian groceries began a month ago. Cooking oil that was two pounds is now 1.50 pounds. Rice prices have been slashed by half. Significant price reductions are evident in chickpeas, onions, and other

iftar essentials.

In the developed world, festivals are seen as an opportunity for "volume sales," earning profit by selling more at a lower price. This system is not only affordable for consumers but also ensures that the joy of the festival reaches everyone.

Contrast this with Bangladesh, where a culture of excessive profit dominates festivals. As soon as Ramadan approaches, prices of essentials skyrocket. For instance, the cost of lemons and limes rose by Tk 20-30 on average this year; in some kitchen markets, four pieces of this fruit were selling for around Tk 150-200 on the second day of the Islamic holy month. A similar price hike is seen for other Ramadan essentials such as cucumber, dates, certain varieties of bananas, and papayas. Even dresses originally priced at Tk 1,000 are sold for Tk 3,000.

Why such a stark difference? Let's look at the economics first. Abroad, businesses purchase in bulk; import costs are low; most food items are exempt from import taxes; and logistics are fast and inexpensive, with low-cost cold storage. By keeping prices low

when demand is high, they move more inventory. Total revenue remains stable because of price elasticity. This ensures businesses' profitability during the festive season.

In Bangladesh, however, we face high import duties, bureaucratic delays, a lack of cold storage, a faulty agricultural supply chain, and the notorious "syndicates." Then there are the issues of extortion and the archaic system of "leasing" out kitchen markets. In the digital age, registered traders should be able to pay fees directly to the government treasury, thereby drastically reducing market-based corruption.

Two major structural flaws contribute to our market instability. First is the "multi-layered middleman" crisis. In Bangladesh, a vegetable changes hands five to seven times before reaching the urban consumer. Each "jaria" or middleman adds a margin without adding any value to the product, often inflating the price by 300 percent from the farm gate.

To solve this, we must establish direct farmer-to-consumer channels. By creating government-backed digital platforms, or "farmers' markets," where growers can sell directly to retailers or consumers, we can bypass the exploitative intermediaries that thrive during Ramadan.

Second is the absence of "real-time market intelligence." In the UK, supermarkets use sophisticated data to predict demand and manage stock. In Bangladesh, our authorities often work with outdated or fabricated data

on local production and stock. This information gap allows syndicates to create "artificial crises" even when supply is abundant. The solution lies in a national digital food dashboard. By tracking the movement of every tonne of onion or sugar from the port or farm to the warehouse in real-time, the government can intervene the moment a hoarders' syndicate tries to choke the supply.

Beyond economics lies the issue of moral bankruptcy. Some traders hoard, overcharge, and adulterate food, ignoring the true spirit of Ramadan. True humanity requires integrity. One cannot be a "good believer" while actively deceiving the public. Claiming to be devout but acting as an opportunist does not make a person a good follower of any faith, let alone a good human being.

To curb this, we need the strict application of the law to bring dishonest traders to heel. If the Directorate of National Consumer Rights Protection and law enforcement agencies maintain the same vigour throughout the year as they often do for a few photo-ops, these moral hazards can be kept in check.

It is time for the Bangladeshi market to evolve. In the West, the "spirit of giving" is reflected in the price tag. In our country, a "spirit of greed" unfortunately takes over. We must realise that a sustainable economy is built on the happiness of the masses, not the bulging pockets of a few hoarders. Let the blessings of Ramadan be reflected in our fairness and our humanity.