

■ Subject to 10% tariff on exports to US...

Trump targets T&T's goods

PORT OF SPAIN

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STARTING Saturday, goods from Trinidad and Tobago entering the United States will be subject to a baseline 10% tariff, as US President Donald Trump followed through on his 'Liberation Day' promise, announcing yesterday that 180 countries will face similar or even more aggressive trade measures.

Trinidad and Tobago will receive the baseline 10% tariff, while Guyana will face the highest rate in the Caribbean Community (Caricom) at 38%, ranking among the highest globally.

Cambodia topped the list with a 49% tariff, followed by Madagascar 47%, Sri Lanka 44% and Vietnam 48%.

Trump unveiled two new types of tariffs yesterday, which he said were aimed at addressing trade deficits between the US and its trading partners.

These include a 10% universal import duty on all goods entering the US and reciprocal tariffs that will be applied to imports from 60 nations.

Caricom countries, with the exception of Guyana, have been hit with the 10% tariff.

Trump yesterday confirmed his long-threatened trade measures, sending shockwaves globally as he announced new levies on imports from nearly all US trading partners.

'Pursuing reciprocity to rebuild the economy and restore national and economic security: Today, President Donald J Trump declared that foreign trade and economic practices have created a national emergency, and his order imposes responsive tariffs to strengthen the international economic position of the United States and protect American workers,' the White House stated yesterday.

'Large and persistent annual US goods trade deficits have led to the hollowing out of our manufacturing base; resulted in a lack of incentive to increase advanced domestic manufacturing capacity; undermined critical supply chains; and rendered our defence-industrial base dependent on foreign adversaries,' it stated.

The White House said to address this issue, Trump invoked his authority under the International Emergency Economic Powers Act of 1977 (IEEPA).

Using his IEEPA authority, Trump will impose a 10% tariff on all countries, effective April 5 at 12.01 a.m. He will also impose individualised, higher reciprocal tariffs on countries with which the United States has the largest trade deficits. These will take effect on April 9 at 12.01 a.m.

The tariffs will remain in effect until such a time as Trump determines that the threat posed by the trade deficit and underlying non-reciprocal treatment is satisfied, resolved or mitigated, the White House stated.

'President Trump refuses to let the United States be taken advantage of and believes that tariffs are necessary to ensure fair trade, protect American workers, and reduce the trade deficit-this is an emergency,' the White House stated.

US companies, according to internal estimates, pay over US\$200 billion per year in value-added taxes (VAT) to foreign governments-a 'double-whammy' on US companies who pay the tax at the European border, while European companies don't pay tax to the United States on the income from their exports to the US the White House stated.

It said in 2024, the US' trade deficit in goods exceeded US\$1.2 trillion.

The White House stated that a 2024 economic analysis

found that a global tariff of 10% would grow the US economy by US\$728 billion, create 2.8 million jobs, and increase real household incomes by 5.7%.

'The president, who said the tariffs were designed to boost domestic manufacturing, used aggressive rhetoric to describe a global trade system that the United States helped to build after World War II, saying 'our country has been looted, pillaged, raped and plundered' by other nations,' the Associated Press stated. 'Taxpayers have been ripped off for more than 50 years,' Trump said. 'But it is not going to happen anymore.'

The new tariffs will come on top of recent announcements of 25% taxes on auto imports; levies against China, Canada and Mexico; and expanded trade penalties on steel and aluminium. Trump has also imposed tariffs on countries that import oil from Venezuela, and he plans separate import taxes on pharmaceutical drugs, lumber, copper and computer chips.