

## **1 POINT : TITLE AND NAME OF THE SPEAKER**

### **TRUMP'S TRADE INITIATIVES AND THE IMPACTS ON GREECE AND DEVELOPING COUNTRIES**

**By NIKOLAOS VARDALAS,**

**Lawyer, Representative of the EUROPE HOUSE BYRON**

.....

**Mr. President,**

**Ladies and Gentlemen,**

We are all aware of the turmoil, that has been caused in international trade, following the statements and their practical implementation by the new President of the United States of America, Mr. Donald Trump.

## **2 POINT : PRESIDENT TRUMP OF USA**

Under the pretext **of protecting the American production machine and his theory for the development of the American economy**, Mr. Trump announced on April 2, 2025 that he would impose import duties on products, from various countries.

Of course, these announcements were also **of a pre-election nature**, in view of the presidential elections at the time, an element, that favored him to win a majority over his opponent.

## **3 POINT : TRUMP'S MEASURES**

**I briefly mention Trump's measures:** imposing import tariffs of 10 percent on all imports, but, in particular, on targeted tariffs, 34 percent for China,

20 percent for the European Union, 10 percent for the United Kingdom, 24 percent for Japan and 24 percent for all cars imported into America, with a few specific exceptions for medicines and raw materials.

This substantial initiative by the American President **is nothing more than a threat, as a warning**, that America wants to become less dependent on foreign trade. To show that he was dominant, Trump temporarily carried out his threat **by implementing the above tariffs to scare off foreign countries and companies**, that manufacture goods outside of America, but consume them inside.

Along the way, of course, as we all know, Trump became a realist, partially **backed down, and supplied the necessary time** to give trading partners time to come to the negotiating table and companies time to relocate their production.

#### **4 POINT : TRUMP AND ENGLISH PRIME MINISTER**

##### **KEIR RODNEY STARMER**

To some extent, this has happened so far: **The US government says it is in active discussions with 18 trading partners about possible new trade agreements** that, in theory, could give American companies access to untapped markets. The framework of **an agreement with the United Kingdom**, announced earlier last month, opened the way to the British market for some American producers, who, theoretically, could always engage in business activities, that they had not had until now.

**What does the Trump initiative hurt?**

**It hurts the so-called globalization.**

#### **5 POINT : GLOBALISATION**

Without myself being an expert economist, **Globalization** refers to both the phenomenon of opening up economies and borders. It results from the **free increase in trade and the movement of capital, the circulation of people and ideas and the dissemination of information, knowledge and technologies**. This process, which takes place both geographically and by sector, is not recent and has accelerated over the last three decades.

**This global economic system is affected by the Trump initiative, creating turmoil in all sectors of international economic and trade relations.** This is because his initiative was treated as a hostile act and there were immediate countermeasures from the countries, whose products imported into America were

burdened with import duties, which reduced their demand in the American market.

Because my current presentation does not have a deep economic analysis, we will not deal further with the economic parameters of Trump's tariffs on the global economic and trade landscape.

We will investigate **the effects of the new Trump system on developing countries and, mainly, on Greece**, for which I have collected some economic and statistical data.

The trade war, that US President Trump has provoked by imposing high tariffs on many US trading partners and the countermeasures that have been announced **may have "devastating" effects on developing countries**, affecting them more adversely than the cut in international aid, namely the abolition of most of the programs of the US Agency for International Development, USAID, which had an annual budget of 42.8 billion dollars, as estimated by the director of the UN trade agency.

According to these estimates, **world trade may shrink by 3-7%** and global Gross Domestic Product by 0.7%, **with developing countries being most adversely affected, the International Trade Center (ITC) noted.**

"The cost of this unprecedented policy is enormous," said Ms Pamela Cooke-Hamilton, executive director of the International Trade Centre (ITC). "If this escalation between China and the US continues, it will **result in an 80% reduction in trade between the countries and the** "The ripple effect around the world will be devastating," she added.

## **6 POINT : TRUMP ANNOUNCING THE TARIFFS**

Global markets continued to be in turmoil today, despite Trump announcing **a 90-day suspension of additional tariffs** he had imposed on dozens of countries. At the same time, the US president increased US tariffs on Chinese goods to 145%, including tariffs he has announced since the beginning of the year.

China immediately responded immediately, by raising tariffs on imported US goods to 125% today. **"Tariffs could be far more damaging than cutting international aid,"** said Cooke-Hamilton, warning that **developing economies risk losing the gains** they have made in recent years.

## **7 POINT : BAGLADESH'S BANKER OF POORS**

### **MR. MUHAMMAD YUNUS**

Shortly before President Trump announced the tariffs, **some of the most prominent exporters in Bangladesh, a developing economy (3<sup>rd</sup> world country with main product of manufacturing fabrics)**, held an emergency meeting. They talked about how the tariffs would destroy their factories and expressed concern about restructuring supply chains. The frustration was evident in businessman Ahsan Khan Chowdhury, whose company employs 150,000 people. “We are one of the poorest countries in the world, trying to survive by producing products that are imported into America,” he said in despair. **“What have we done to deserve the wrath of the United States of America?”**

## **8 POINT : TRUMP'S PROPOSED TARIFFS AND**

### **DEVELOPING COUNTRIES**

Trump's proposed tariffs mainly **hit countries with small bargaining power, places where daily incomes are just a few dollars and the economy relies on selling cheap goods** to America, an economy 60 times larger than Bangladesh's, for example.

Making the pill even more bitter for Southeast Asian countries is that for years, US-backed development agencies (such as the International Monetary Fund) **have encouraged South Asian countries to boost garment exports to escape poverty, which in turn has brought cheap imported clothes to American consumers**, with the US having long since moved away from labor-intensive industries.

**The consequences for the developing world will therefore be disastrous.** In a chaotic week during which Trump imposed and then suspended his toughest tariffs on dozens of countries—the developing world woke up to a grim new reality. For more than 70 years, **many emerging countries, especially in Asia, have become low-cost manufacturers for the United States**, the world's largest consumer.

Americans import everything **from clothing manufacture in Bangladesh to vanilla grown in Madagascar**. Trump is now upending that model, declaring “Liberation Day.” In Vietnam, potential 46% tariffs on exports to the United States have caused panic in factories in cities such as Hanoi and Ho Chi Minh City.

Except for China, where Trump raised tariffs to 145 percent, countries that have been singled out for higher tariffs than the United States now have at least another 90 days of grace. If the White House goes ahead with the tariffs, **they could have devastating consequences for emerging economies**, especially given last month's cuts to the bulk of U.S. foreign aid to those economies.

## **POINT 9 : TRUMP'S TARIFFS AFFECT POOREST COUNTRIES**

By playing tough on vulnerable, poor countries that produce non-strategic goods like clothing and shoes, **Trump has shown he is willing to jeopardize decades of international growth and soft power** to balance trade deficits.

Many of the African countries affected have relied on tariff-free access to the United States for years.

Others, like Pakistan and Sri Lanka, rely on organizations like the International Monetary Fund to keep their economies afloat or are battered by war and conflict. Of his list of countries, **Trump planned to impose the highest tariff on Lesotho, one of Africa's poorest countries**. Officials there warn that the economy could collapse completely if the US proceed with its basic plan.

## **POINT 10 : CAMBODIA : A FACTORY OF TEXTILE PRODUCTS**

**In Cambodia, another developing country I cite as an example**, officials initially downgraded the 49% tariff, confident that Trump would revoke, since the nation exports mostly cheap, labor-intensive goods. Last year, total trade with the United States reached about \$13 billion, 97 percent of which were Cambodian exports. When it became clear that the White House was insisting and being dominant, Cambodia moved quickly. Officials and businesspeople considered how to negotiate with the United States.

Some expressed concerns about **their ability as a small economy to attract Trump's attention**, as Casey Barnet, president of the American Chamber of Commerce in Cambodia, pointed out, who participated in the talks.

"Cambodia simply doesn't buy American goods," he said, adding that one of the country's biggest imports from the United States is used cars. "They can't even afford to buy a new vehicle from the United States."

**After Trump suspended most tariffs, applying only 10%, except for China, everyone seems to be looking for deals.**

In Bangladesh, I come back to the example again, which sold more than eight (8) billion dollars in garments last year to the United States, about a fifth of the total, exporters are already feeling the pressure. Some have said that **American buyers are demanding that Bangladeshi companies absorb the full cost of the proposed 37% tariffs — an impossible demand**, given the extremely low profit margins. A relentless price war has begun, with exporters competing to win fewer customers in friendlier markets, such as Europe.

### **POINT 11 : B.R.I.C.S. COUNTRIES IN THEIR CONFERENCE LAST APRIL**

**Foreign ministers from the BRICS group of developing countries met in Brazil last April** and discussed their common stance on the tariff barrage announced by President Donald Trump. At the end of the meeting, a joint statement was issued in which ministers from Brazil, Russia, India, China, South Africa and six other countries **criticized “unilateral measures” in the trade sector**. “The ministers are negotiating a declaration that will reaffirm that they consider (...) multilateral trade negotiations as a key axis of action in trade,” said Brazilian diplomat Mauricio Lirio.

The BRICS group, which was joined last year by Egypt, Saudi Arabia, the United Arab Emirates, Ethiopia, Indonesia and Iran, **is facing serious challenges due to American trade practices**.

Anxiety is intensifying in the Greek export community, following the tariffs announced by Donald Trump with the imposition of 20% tariffs on products originating from the European Union. Although there was no explicit mention of Greece in the relevant announcements by the American president, the fact remains that targeting the European Union, which he accuses of unfair tariffs on American products, opens ‘the door’ to create problems for the Greek products exported to the United States will face.

According to data from the Hellenic Statistical Authority in 2024, Greece's exports to the United States accounted for 4.8% of the total value of Greek exports. Greek exports closed in 2024 at €49.9 billion, and to the United States they amounted to €2.4 billion, with a surplus, as imports of American products amounted to €2.16 billion.

## **POINT 12 : PRESIDENT TRUMP COMMENTING HIS TARIFF POLICY**

**Trump's sweeping tariffs will certainly seriously affect Greek exports, a sector that has been steadily growing lately:** food and beverages, and more specifically, products such as Greek wines, olive oil, feta cheese, Kalamata olives, peach compotes, baked goods, etc. are threatened due to the increase in costs for American consumers after the imposition of import tariffs.

## **POINT 13 : TRUMP'S TARIFFS AFFECT SEVERAL BASIC GREEK PRODUCTS**

**Greek olives** have one of the strongest presences on American shelves, with Greece being the main country of origin for imported olives in the US. According to statistical data, the value of exports in 2024 amounted to 241 million euros, an increase of 39% in one year. At the same time, 45,000 tons of olive oil were placed on the American market in 2024, according to data from the Association of Greek Olive Oil Standardization Industries.

**Feta**, which holds the lead in export products and PDO (protected designation of origin) cheeses, face the risk of becoming less attractive, due to price increases. The value of feta exports to the US in 2024 amounted to 53.6 million euros.

The tariffs are also expected to seriously affect exports of **Greek peach compote** to the US. According to a statement by the Greek Canned Fruit Association (EKE), “exports of Greek peach compote (as well as fruit salad and frozen fruit in general) are being hit hard by the tariffs announced last night. The US is one of the most important customers for our exports, since more than 20% of our products, worth €100,000,000, are exported there. The sector's total exports amount to approximately €500,000,000, without the possibility of replacing this market.

Also, **Greek wine exports** (with the US as the second largest market) may suffer a blow, if the tariffs are passed on to final prices, limiting demand in an already competitive market. Greek wine sales in 2024 amounted to 19 million.

In other sectors, such as **metals**, industry players reassure that the immediate consequences in other sectors, such as metals, industry players reassure that the direct consequences will not be significant, as the exposure of Greek



mining products to the risks of tariff imposition is not great, as a result of which the sector's businesses are not vulnerable. **The indirect effects are a different story as both the European and international economic environment will be affected, disrupting trade and supply chains.**

More specifically, a possible reduction in exports to Greece's European trading partners is expected. 65% of Greek exports concern EU member states. First and foremost are Italy, Germany, France, but also Cyprus, which are Greece's main trading partners. This may dictate new priorities in trade policy, such as opening up to third markets, such as Asia and Canada.

**The other side of the coin, within the trade balance, is imports.** Europe has already signaled through Ursula von der Leyen that it will respond to the imposition of tariffs. What will this mean? That the products we import from the US are likely to become more expensive, as they will be subject to additional tariffs.

In any case, although Trump's goal, as he has described it, is to strengthen the US economy, **tariffs make products more expensive and, more likely, will lead to a reduction in overall trade,** destroying the working classes, with rising prices and, therefore, further strengthening the already stubbornly high inflation.

#### **POINT 14 : NEGOCIATIONS AND NOT TRADE WAR**

In conclusion, I would like to express the hope that, **in the face of such a form of trade war, which is suddenly launched for the alleged defense of a country's national economy,** at a time when all the economies of the world live within an interconnected world, the international interest takes precedence. This ensures the progress, prosperity and development of peoples, in a regime of peaceful coexistence and common progress.

Deviations from serving the international economic interest may be permitted **only after negotiations, the promotion of claims and demands based on justified situations,** and never on sudden and ineffective initiatives to satisfy personal interests.

**The international community needs the cooperation and solidarity of all countries of the world.** These must become the conscience of the world's leaders, especially the economically strong states, because only in this way will we chart a proper future for all of us.



## **POINT 15 : THANK YOU**

**Thank you.**

**Riga Latvia June 28, 2025**

**NIKOLAOS VARDALAS**