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Footwear & Politics

By Thomas Crockett • Jan 27, 2026

Smart Brevity® count: 3 mins...742 words

A few quick updates on the India-EU trade deal, the president's new tariff threats, and an important FDRA trade event this week.

As always, we will send out key updates to FDRA members as we receive them.

EU-India's mother of all trade deals

The EU and India announced a trade deal this week that the European Commission president calls the "mother of all deals."

👞 **What about footwear?** The Indian commerce minister highlighted Indian-made footwear imported into the EU — along with textiles, apparel, leather, and many other goods — will be duty-free once the agreement enters into force.

- The text of the agreement has not yet been released, so we still need to see the details. The agreement also has to go through an approval process before being signed and ratified by both countries.

💬 **Tell me more**: The EU and India launched trade negotiations in 2007, paused them in 2013, resumed again in 2022 ... and then accelerated talks as President Trump imposed new tariffs on EU and Indian products.

🇪🇺 **What they're saying**: European Commission President Ursula von der Leyen said, "We have created a free trade zone of 2 billion people, with both sides set to gain economically. We have sent a signal to the world that rules-based cooperation still delivers great outcomes." Read the EU statement here.

🇺🇸 **What about the U.S.-India agreement?!**: Indian government officials sent the message today that India is still working toward a deal with the U.S., which would lower the current 50% reciprocal rate on Indian goods.

- On CNBC today, the Indian petroleum minister said, "I would try and look at the positive side, I'm not a soothsayer, I don't know when trade deals will get signed, how long it takes ... but I think [everybody] needs to chill a bit. I'm told by the people who are in [the negotiations] that it's at a very advanced stage, and I'm hoping that, sooner rather than later, it will also see the light of day." Read more here.

Multiple new tariff threats to start 2026

The President has been making a lot of tariff threats over the past two weeks.

- **The threats (so far)**: 25% tariffs on products from nations that do business with Iran (which would hit China), 10% tariffs on products from eight European allies (over Greenland), 100% tariffs on Canadian goods (if Canada makes a trade deal with China), and 25% tariffs on South Korean goods (for not ratifying a deal with the U.S. fast enough).

✋ **Yes, but**: An executive order issued by the president is what we need to see if the tariff threat will be carried out. We haven't seen the orders yet.

- In many cases, this is just leverage. South Korea, for example, is now rushing to pass legislation by the end of February. The EU threat was resolved after the countries came to an agreement.

⁉️ **Legality of these type of actions?**: All of the above actions would likely be carried out under the International Emergency Economic Powers Act (IEEPA).

- The Supreme Court is reviewing whether it is legal for the president to use IEEPA to impose tariffs. The Court's decision will likely come February 20th at the earliest.

2026 FDRA trade event Thursday

Be sure to join us for our annual Trade & Politics event this Thursday (January 29th) starting at 2:00 p.m. ET.

Why it matters: We are going to cover 2026 from multiple angles to help you prepare for this pivotal year:

- 💸 **President Trump's Tariff Plan B**: Matt Priest (FDRA) and I will do a deep dive into the tariff tools the president may deploy if the Supreme Court declares the IEEPA tariffs are illegal.
- 🔮 **What will happen with the midterm elections?**: Dr. Spencer Kimball (Emerson College Polling) will explain the new political landscape that will shape who controls Congress for the final two years of the Trump presidency.
- 🛩️ **Supply chains**: John Rodriguez (Apex Logistics) will talk about how companies are adapting their supply chains to ever-changing tariffs ... and whether to use air freight or ocean freight in this challenging environment.
- 🌎 **Geopolitics**: Andy Polk (FDRA) will explore the many U.S. foreign policy issues hitting at once — Greenland, Venezuela, Cuba, China — and what that means for footwear.

Go deeper: See the agenda and sign up here: Trade & Politics Outlook

Thanks for reading. We're available for any questions or comments you might have.

Matt and Thomas

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