



Written by [Christian Gomez](#) on February 15, 2019

Deep State Seeks Elimination of Trump Metal Tariffs to “Pass USMCA”

Establishment lawmakers want to tie passage of the United States-Mexico-Canada Agreement (USMCA), the globalist free trade scheme intended to replace NAFTA with the elimination of President Trump’s tariffs — despite their positive affect for U.S. business and domestic steel production.

During his weekly press meeting on Tuesday, Senate Finance Committee Chairman Chuck Grassley (R-Iowa) told reporters, “It’s very, very important that the White House get on board with doing away with these tariffs so we can get this thing not only before the Congress of the United States but before the Mexican Senate and before the Parliament, the House of Commons in Canada.”



Grassley was referring to President Trump’s 25-percent tariff on foreign-made steel and aluminum that he announced on March 1, 2018.

Senator Grassley claimed that Trump’s steel and aluminum tariffs have been the “biggest impediment” to both Canada’s and Mexico’s potential passage of the USMCA. “It’s pretty clear to me after visiting with the foreign minister of Canada last week, and the ambassador from Mexico to the United States, that they are not going to move until all those tariffs are gone,” Grassley said.

In order for the USMCA to go into effect for all three parties, the U.S. Congress has to pass implementation legislation and the Mexican Senate must ratify it as a treaty, as per both the Mexican Constitution and international law, and the Canadian Parliament must also pass it in order for it to proceed for royal assent — the final step for ratification in Canada.

Mexico and Canada regard both NAFTA and the USMCA as treaties, with Mexico officially calling the USMCA the *Tratado entre México, Estados Unidos y Canadá* (Treaty between Mexico, United States, and Canada), abbreviated as T-MEC.

Regarding the president’s tariffs, Grassley continued, “If the motive of putting the tariffs on in the first place was to let people know that you’re serious about doing something, and they’ve done it now, they’ve delivered ... then there’s no purpose for the tariffs.” Further adding, “That’s how I see it, I don’t know how the president sees it.”

Grassley expressed his full support for USMCA, rhetorically asking reporters, “What can I do to help the president get USMCA passed? And I think I’ve drawn the conclusion that my help ought to be, ‘How do we get off of this business of tariffs generally?’”

Grassley and other lawmakers’ calls for tying the elimination of Trump metal tariffs to the passage of



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the USMCA reveals just how out of touch establishment lawmakers are with the reality of the positive impact those tariffs have had on the nation's economy.

On August 23, U.S. Steel Corporation announced that it would invest at least \$750 million to modernize and enhance its 110-year-old flagship plant in Gary, Indiana. Abby Gras, a spokesperson for the Indiana Economic Development Corporation, [told](#) the *Chicago Tribune*, "There are no committed new jobs at this point, but the project will retain the more than 3,800 jobs in Gary."

The 3,800 jobs in the Gary plant were protected because of new investments that came in the wake of the Trump administration's tariffs on steel imports. In fact, U.S. Steel President and CEO David B. Burritt affirmed the good news regarding President Trump's trade and tariffs policies, stating, "We are experiencing a renaissance at U.S. Steel." According to Burritt, the \$750 million investment will improve the performance of the Gary plant and bolster the company's competitiveness.

In March 2018, U.S. Steel also announced it was bringing back 500 jobs to restart its Granite City Works' blast furnace "B" and steelmaking operations. And on June 5, 2018, the company announced that it was going to restarting a second blast furnace at its Granite City steelmaking plant.

Trump's metal tariffs have also benefited domestic production of aluminum. On August 22, 2018, U.S. Secretary of Commerce Wilbur Ross and Kentucky Governor Matt Bevin celebrated the expansion of an aluminum mill in Hawesville, Kentucky. "We have all of the ingredients to succeed and all we needed was the fairly-traded market," said Jesse Gary, the executive vice president of Century Aluminum, who owns the Hawesville mill, the largest producer of aluminum in the United States.

Gary also credited Trump's tariffs for allowing Century Aluminum to revitalize a derelict part of their mill. "That gave us the fairly-traded environment we needed in order to restart those lines and so it's as a direct result of that."

As *The New American* [reported](#) on November 30, 2018, "Trump's tariffs on steel 'are creating US jobs and stimulating growth,' the opposite of what many mainstream economists predicted." We cited a report from the Coalition for a Prosperous America (CPA), a nonpartisan trade group representing farmers, ranchers, manufacturers, and various labor groups.

The CPA report "measured the impact of the steel tariffs on the U.S. economy and found [according to the report] that those 'steel tariffs, in combination with other economic policies [implemented by the Trump administration] will drive growth of 2.1 million additional jobs in 2018 ... and an additional 1.2 million jobs are expected to be created annually in the years 2019 through 2021.'" CPA Research Director Jeff Ferry said:

The performance of the US economy since the steel tariff was implemented in March has been outstanding, with over a million more jobs in the US economy today than in March, and GDP growth roughly half a point higher than economists had predicted.

Most trade models got this wrong due to mistaken assumptions about how the economy would react to the tariffs. Our improved economic model corrects some key mistakes in standard economic models and incorporates actual economic results rather than assumptions. The results forecast that the steel tariffs, in combination with other economic policies, will create some 2 million jobs this year, with another million more to come next year.

Ferry's statement was backed up by what was at the time "the Federal Reserve's latest industrial production report showing that U.S. manufacturing output was up 2.7 percent year over year, with



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strong production increases in steel-using industrials such as machinery (6.9 percent growth) and aerospace (4.0 percent growth).”

And that same success, as a result of Trump’s tariffs, is continuing into 2019. On February 11, U.S. Steel [announced](#) that it will resume construction of its electric arc furnace (EAF) steelmaking plant in Fairfield, Alabama. U.S. Steel originally began construction of the Fairfield facility in March 2015, but had to suspend construction nine months later due to unfavorable market conditions.

At the time, President Obama and U.S. Trade Representative Michael Froman were negotiating both the TPP and the Transatlantic Trade and Investment Partnership (T-TIP), both of which sought to further lower and eliminate U.S. trade barriers and tariffs with countries in the Pacific-Rim and with the European Union, respectively.

U.S. Steel President and CEO Burritt again credited Trump’s tariffs for resuming construction on their Fairfield facility. “Thanks to the President’s strong trade actions and improved market conditions, support from the United Steelworkers and incentives from the State of Alabama and the Jefferson County Commission, we are excited to add EAF capabilities to our company’s footprint and provide sustainable tubular solutions for our customers,” Burritt said.

According to local [ABC 33/40](#) based in Birmingham, Alabama, “U.S. Steel representatives say the EAF will be a technologically advanced facility with an annual capacity of 1.6 million tons. Company representatives say construction is expected to begin immediately. The facility aims to produce steel rounds in the second half of 2020.”

Eliminating Trump’s 25-percent steel and aluminum tariffs, as Grassley and other lawmakers insist, would wipe out the conditions that spawned the recent expansion of U.S. domestic steel and aluminum production and would undermine those businesses and the thousands of jobs created as a result of the tariffs. Eliminating those tariffs would also undermine our national sovereignty, in the name of pursuing “global interest” and “freeing world trade.”

Despite adamant support from President Trump, the USMCA flies in direct contradiction to his repeated pledge of “Americanism, not Globalism.” According to both the [USMCA’s Chapter 26 on competitiveness](#) and [statements made by then-Mexican President Enrique Peña Nieto](#) during the signing ceremony in Buenos Aires and on [Twitter](#) on November 30, 2018, the USMCA is designed to economically integrate the three North American countries.

Furthermore, the USMCA’s Chapter 30, entitled “[Administrative and Institutional Provisions](#),” establishes a governing “Free Trade Commission” akin to both the governing “TPP Commission” of the Trans-Pacific Partnership and the “European Commission” of the European Union. Serving as a supranational governance body, the USMCA Free Trade Commission would oversee a bureaucracy of at least 16 subordinate committees, each relating to their corresponding chapters in the agreement, and would also have the power to make changes to the text of the agreement without the consent of the U.S. Congress. This would in turn make the USMCA a “living agreement,” much like the European Union.

However, a potential wrench in the plans for the Deep State’s globalist ambitions is both the expectation that the Canadian Parliament will not touch the USMCA until after the U.S. Congress passes a USMCA implementation bill and the fact that Canada’s Parliament officially adjourns in June until their national elections in the fall.

In order to push the USMCA forward in Congress, the *Washington Examiner* [reported](#) on Wednesday, “An ad hoc coalition including drug makers, the textile industry, and farm groups have tapped former



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top officials in the Trump and Obama administrations to lead a new effort to get Congress to pass President Trump's U.S.-Mexico-Canada Agreement on trade."

Leading the Deep State's globalist effort to assure passage of the USMCA are President Trump's first Chief of Staff Rick Dearborn and President Barack Obama's Secretary of Commerce and U.S. Ambassador to China Gary Locke.

Locke will serve as "honorary chairman" of their effort, called "Pass USMCA." In a statement, Dearborn said, "The USMCA is a win for America. It will launch the nation into a new era of economic and creative prosperity. Congress must seize this opportunity to strengthen our North American trading partnerships."

The elimination of Trump's steel and aluminum tariffs, coupled with the passage of the USMCA, is a recipe for globalism that not just steelworkers and those in the aluminum industry should be concerned about, but all Americans. The United States could potentially recover from a bad economy or loss of jobs, but not from a loss of national sovereignty. The United States should not have to worry about steel and aluminum workers losing their jobs or a loss of national sovereignty *if* Congress both maintains the Trump metal tariffs *and* [stops the USMCA](#). It is within Congress' power to do both. Will Congress do its job and protect our nation's sovereignty and economy, or will the Washington "Deep Swamp," as Congressman Thomas Massie (R-Ky.) describes it, succumb to the whims of the insiders' Deep State?



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