

Grassley to Trump: Lift tariffs or new NAFTA deal is 'dead'

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Senate Finance Committee Chairman [Chuck Grassley](#) (R-Iowa) said over the weekend that Congress will not approve the U.S.-Mexico-Canada Agreement (USMCA) unless [President Trump](#) lifts tariffs on steel and aluminum, paving the way for the two other countries to nix their retaliatory tariffs.

"If these tariffs aren't lifted, USMCA is dead. There is no appetite in Congress to debate USMCA with these tariffs in place," Grassley wrote Sunday in a [Wall Street Journal opinion piece](#).

Trump, who campaigned heavily on renegotiating trade deals, is pushing for Congress to approve the USMCA, an updated version of the North America Free Trade Agreement (NAFTA).

House Speaker [Nancy Pelosi](#) (D-Calif.) has said she will not move the deal forward until Mexico implements promised labor reforms and stronger enforcement mechanisms are included.

Trump imposed tariffs last year on imported steel and aluminum against a slew of trading partners, eliciting retaliatory tariffs on American exports to those countries.

"Many Americans have been harmed by retaliatory tariffs. Mexican tariffs on U.S. pork, to take one example, have lowered the value of live hogs by \$12 an animal," Grassley wrote, noting the impact on his home state.

"That means jobs, wages and communities are hurt every day these tariffs continue — as I hear directly from Iowans. It's time for the tariffs to go," he wrote.

While blasting the steel and aluminum tariffs, Grassley gave a nod to Trump's tariffs against China, saying that he'd been a skeptic at first, "But I admit Mr. Trump was on to something."

The Trump administration is nearing the end of trade talks with China on a deal to lift the tariffs and make China's market friendlier to American business. Grassley said that China, and not America's allies, should be the focus of pressure.

"The administration can take the lead by promptly lifting tariffs on steel and aluminum from Canada and Mexico and working with allies to address the true source of overcapacity: China," Grassley said.

Trump has thus far refused to lift the tariffs and has even threatened to impose a harsher set of tariffs on vehicles if things do not proceed.