

Washington Tariff & Trade Letter

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President's "Weave" Turns to "Swerve"

The President's discursive policymaking prowess was on full display this week. Mr. Trump began holding firm on the "reciprocal" tariffs he proclaimed the week before, until relentless selling in the treasury market convinced Secretaries Bessent and Lutnick to sit him down and thumb out a reversal. The 90 day reprieve gives the President and his team an opportunity to negotiate 50 to 75 bilateral trade agreements with former allies and trading partners. [READ MORE](#)

Trade Review Act to Bring Congress Back to Process

Bipartisan discomfort with the President's tariff policies is prompting further moves to bring the authority to assess such levies back to the constitutionally appointed branch. Senators Maria Cantwell (D-WA) and Chuck Grassley (R-IA) introduced the Trade Review Act of 2025, bipartisan legislation that would restore congressional oversight over President Trump's tariff taxes. The bill aims to bring stability and accountability to U.S. trade policy by reestablishing limits on the president's ability to unilaterally impose tariffs without the approval of Congress. [READ MORE](#)

US Steel Deal to go Back for CFIUS Review

President Trump has ordered a new national security review of Nippon Steel's proposed \$14 billion acquisition of U.S. Steel, reviving a high-profile deal that had been blocked earlier this year by former President Joe Biden. The White House announced Monday that the Committee on Foreign Investment in the United States (CFIUS) will reassess the transaction to determine whether it poses a threat to national security. The move grants the administration the flexibility to negotiate terms that could enable the completion of the deal, which would bring the storied American steelmaker under Japanese ownership. [READ MORE](#)

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MORE TARIFFS

WTO Civil Aircraft Pact Casualty of Tariff War

The Trump administration's imposition of new tariffs disrupts a longstanding international framework that has facilitated largely tariff-free aerospace manufacturing and trade since the 1980s, challenging a key exporting industry, according to the Aerospace Industries Association. The tariffs effectively dismantle exemptions established under the [1980 Agreement on Trade in Civil Aircraft](#), a plurilateral accord concluded under the General Agreement on Tariffs and Trade (GATT) and later incorporated into the World Trade Organization (WTO) framework in 1995. [READ MORE](#)

Canada Files WTO Case Over US Auto Levies

Canada has requested WTO dispute consultations with the United States concerning US measures imposing a 25 percent duty on automobiles and automobile parts from Canada. The request was circulated to WTO members on 7 April. [READ MORE](#)

Canada Tariff Retaliation

The Department of Finance Canada has announced that new retaliatory tariffs on certain U.S. automobile imports will take effect at 12:01 a.m. EDT on April 9, 2025. The measures follow the United States' imposition of tariffs targeting the Canadian auto industry, which Canada has deemed unjustified. [READ MORE](#)

CEA Chief: Time for Other Countries to Pay

In a speech April 7th to the Hudson Institute, Council of Economic Advisors Chair Steven Miran argued that the United States has long borne an outsized cost in delivering what economists term "global public goods"—namely, international security and a stable financial system—and called for other nations to shoulder a the burden. [READ MORE](#)

Tariffs are Not Inflationary?

Rejection of the premise that tariffs are a consumption tax starts at the top, with the President Elect's "most beautiful word" musings, and the intellectual basis has been articulated in a recent paper by Chairman of the President's Council of Economic Advisors Steven Miran. The following was published last November, shortly after the election. It's worth a revisit. [READ MORE](#)

EXPORT CONTROLS

[White House Orders Arms Sales Reform](#)

President Trump Wednesday signed a sweeping executive order aimed at overhauling the U.S. foreign defense sales system, seeking to reduce delays and regulatory barriers in the sale of military equipment to international partners. The directive—"Reforming Foreign Defense Sales to Improve Speed and Accountability"—initiates a broad set of reforms to the Foreign Military Sales (FMS) and Direct Commercial Sales (DCS) processes, with the stated aim of improving delivery predictability, enhancing allied burden-sharing, and invigorating the domestic defense industrial base. [READ MORE](#)

[DOJ Data Export Rule Takes Effect](#)

The U.S. Department of Justice's Final Rule restricting the export of sensitive U.S. data to foreign entities took effect April 8, 2025. The rule targets data transactions involving individuals or entities linked to designated "countries of concern"—including China (with Hong Kong and Macau), Russia, Iran, North Korea, Cuba, and Venezuela. [READ MORE](#)

[BIS Nominee Breezes Through Nomination Hearing](#)

Sharing the dais with several other high-profile nominees, Assistant Secretary of Commerce for Export Administration-designate Landon Heid appeared before the Senate Banking Committee on Thursday, April 10. His brief remarks included the suggestion that Commerce apply export controls to sanctioned firm's subsidiaries, as is done with OFAC Sanctions. [READ MORE](#)

ENFORCEMENT

[TSMC Violations to Test BIS Resolve](#)

Taiwan Semiconductor Manufacturing Company (TSMC) is under investigation by the U.S. Department of Commerce for potential violations of export control regulations, a case which may give Commerce Secretary Howard Lutnick and BIS Chief Jeffrey Kessler an opportunity to impose their promised "dramatic increase in enforcement and fines for people who break the rules. [READ MORE](#)

[Iran Nuclear and Mexican Drug Lord Sanctions](#)

The Treasury's Office of Foreign Assets Control (OFAC) announced sanctions against five Iran-based entities and one individual for providing support to Iran's nuclear program. Separately, OFAC sanctioned drug trafficker Jesus Alfredo Beltran Guzman, known as "El Mochomito." [READ MORE](#)

[Antiboycott Update](#)

The Bureau of Industry and Security (BIS) has published an updated Antiboycott Requester List, identifying foreign companies that have issued boycott-related requests in contravention of U.S. regulations. The update adds 30 new parties and removes 18 entities that certified they no longer include boycott-related terms in transactions involving U.S. persons. [READ MORE](#)

SUPPLY CHAIN

[Fast Fashion as Strategic Threat: Report](#)

A new report warns that Chinese state-supported e-commerce giants pose a strategic threat to American technological leadership, economic competitiveness, and consumer protection, and that it is by design. Written by Eli Clements at the ITIF's Center for Data Innovation, the report—*How China's State-Backed E-Commerce Platforms Threaten American Consumers and U.S. Technology Leadership*—details how Chinese platforms such as Temu, SHEIN, and AliExpress are gaining global market share through extensive government support, including subsidies, regulatory advantages, and access to state-run logistics and data systems. [READ MORE](#)

[Maritime Executive Order](#)

President Trump signed an Executive Order today directing a full-scale effort to rebuild U.S. commercial shipbuilding and maritime labor capacity, citing national security risks from decades of decline. The order mandates a **Maritime Action Plan (MAP)** within 210 days, led by the National Security Advisor and coordinated across departments. [READ MORE](#)

[Ship Fee Proposal to be Eased](#)

The Trump administration is revising its proposed port fees on Chinese-built vessels as it implements a sweeping Executive Order aimed at restoring American maritime strength. The administration reportedly plans to reduce the burden on exporters by basing fees largely on vessel capacity and easing charges on ships carrying U.S. agricultural exports such as soybeans and timber. [READ MORE](#)