

Troubling Relief: The Evolution of the Section 232 Steel and Aluminum Tariff Exclusion Process

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This policy brief examines the evolution of the Section 232 steel and aluminum tariff exclusion program by focusing on the formulation of the process and its implementation up to the December 2020 interim rule changes. The exclusion process underwent four distinct evolutionary periods, delineated by major changes to the rules and the administration of the tariff relief program. Though the Trump administration exercised prudence and political acuity when it decided to establish a relief program, the resulting exclusion process has been too convoluted to mitigate the harmful effects of the Section 232 tariffs.

As the Biden administration begins its term, a review of these tariffs and the accompanying exclusion process is a matter of some urgency. The US Department of Commerce should review how the steel and aluminum tariffs have affected domestic industrial supply chains and formulate policies that help make domestic manufacturing more competitive and export oriented, not less. This policy brief contributes to such a review and offers several recommendations for administration and congressional trade policymakers.

THE EVOLUTION OF THE SECTION 232 STEEL AND ALUMINUM TARIFF EXCLUSION PROCESS

In March 2018, President Donald J. Trump imposed ad valorem tariffs on imported steel and aluminum products to protect domestic producers.¹ President Trump established these tariffs, 25 percent for steel and 10 percent for aluminum, under the presidential authority granted to him by Section 232 of the Trade Expansion Act of 1962. The groundwork for this action was laid starting in April 2017, when, under Section 232 authority, the Department of Commerce began investigating

steel and aluminum imports to determine whether specific imports harm US national security.² Based on the results of that investigation, the Department of Commerce's Bureau of Industry and Security (BIS) recommended in January 2018 that the president implement quotas and tariffs to protect US steel and aluminum producers from imports for national security reasons.³ Two months later, in his proclamations establishing the steel and aluminum tariffs, the president posited that imports "weaken our internal economy" and "impair the national security."⁴

The tariffs did have some support in Congress. In October 2017, both Democratic and Republican members of the Congressional Steel Caucus were calling for tariffs.⁵ However, administration officials were concerned that the political benefits to be reaped from tariffs might be neutralized by the economic costs of tariffs on downstream manufacturing firms and employees. These concerns led to a deal to simultaneously erect the Section 232 tariffs on steel and aluminum imports, negotiate annual quotas with the governments of select exporting nations,⁶ and establish a tariff exclusion process for domestic steel- and aluminum-consuming industries.

The administration's decision to quickly launch an exclusion process was prudent but haphazardly prepared. The proclamations that established the Section 232 tariffs on steel and aluminum also authorized relief for importing industries and directed the Department of Commerce to determine whether an import was also produced in the United States "in a sufficient and reasonably available amount or of a satisfactory quality."⁷ The president also instructed Secretary of Commerce Wilbur Ross to "issue procedures for the requests for exclusion" within 10 days, thereby rushing both the collection of tariffs and the implementation of a complex exclusion process.⁸

The exclusion process has unfolded through four distinct evolutionary periods associated with major changes to its rules and administration (see figure 1). The rollout encompassed the preparation and initial administration of the exclusion process. The second period began with the September 11, 2018, interim rule changes that added rebuttal and surrebuttal submissions in contested cases. The third period was initiated in June 2019, after the introduction of an exclusive web-based portal for submitting requests, objections, rebuttals, surrebuttals, and accompanying documentation, including confidential business information. This period also featured the administration's February 8, 2020, decision to expand the Section 232 steel and aluminum tariffs to derivative products. The fourth period commenced with the December 2020 rule changes that established General Approved Exclusions (GAEs).

Figure 1. The Evolution of the Section 232 Steel and Aluminum Tariff Exclusion Process



PERIOD 1: ROLLING OUT THE EXCLUSION PROCESS

The Trump administration was eager to protect US steel and aluminum producers from imports, but it was, for three main reasons, unprepared to concurrently plan and implement a tariff exclusion process that addressed downstream industry concerns. First, the planning of the exclusion process did not include a comprehensive analysis of domestic steel and aluminum production and imports to determine whether specific product categories could be generally excluded from the tariffs, and it did not investigate the reasons behind recent steel and aluminum plant closures (see box 1).

The Department of Commerce’s analysis of domestic steel and aluminum markets from this period does not ascertain the underlying reasons for rising imports and stagnant levels of exports. The Department of Commerce’s investigation claims that “the U.S. steel industry uses 80 percent as a benchmark for minimum operational efficiency.”⁹ Although the decision to set the tariffs at 25 percent for steel and 10 percent for aluminum were justified on grounds that these levels would allow the domestic industry to achieve at least 80 percent utilization of capacity, the method for measuring this rate has largely been left to industry reports, rather than independent review. The Department of Commerce cites its 1983 study of domestic steel producers but does not explain the comparability of utilization rates or relevant domestic market changes during the past three and half decades.¹⁰ Without relevant, comparable definitions of capacity and utilization, firms may be able to count idle, less competitive installations to artificially lower reported utilization rates. Such sites should be decommissioned, not counted for aggregate utilization rates.¹¹

Second, rather than establish preapproved exclusions for targeted product categories, the Department of Commerce compelled importing firms to make specific requests based on both specific products and dimensions, exponentially increasing the number of requests and delaying the evaluation and decision-making elements of the process.

Third, the Department of Commerce was not sufficiently staffed to tackle the demands of the exclusion process, and the recurrent high turnover of evaluators decreased the efficiency of the process, adding to errors and delays.

Box 1. Section 232 Steel and Aluminum Plant Closures

In its January 2018 steel investigation report, the Department of Commerce points to steel and aluminum manufacturing plant closures and concurrent employee layoffs as primary reasons for implementing the Section 232 tariffs. In its report, the Department of Commerce alleges that domestic steel mills closed owing to excessive imports. The report identifies six basic oxygen furnace facilities and four electric arc furnace (EAF) steel facilities that were presumably shut down owing to global overcapacity and predatory import pricing.¹² According to the report, U.S. Steel's mill in Fairfield, Alabama, and RG Steel's mill in Sparrows Point, Maryland, closed because of imports.

U.S. Steel claims that it needed to close its Fairfield plant to remain competitive, but the United Steelworkers Union (USW) reports that Chinese imports were to blame.¹³ Ironically, U.S. Steel had threatened to close the Fairfield mill as early as 1982 because of USW's contract demands.¹⁴ However, by 1984 the company had planned a major investment to transform the facility into a new seamless pipe mill that would subsequently expand the company's payroll in Fairfield.

In 2015, the plant temporarily closed while the company struggled to reach agreement with the USW and formulated plans to invest in more efficient EAF capacity. In October 2020, the company initiated its new EAF facility. CEO David Burritt declared that the plant "enhances our ability to deliver customer-centric solutions and results . . . as part of our Best of Both strategy."¹⁵ U.S. Steel's decision to invest in EAF capacity preceded the Section 232 tariffs. The Fairfield case suggests that the government could have paid more attention to plant preservation and investment in more efficient, market-relevant technology, rather than to reckless protection.

The case of Sparrows Point, Maryland, tells a different, but equally important story. In 2016, the former Bethlehem Steel mill at Sparrows Point was decommissioned and the property was transformed into Tradepoint Atlantic, a modern industrial and transportation hub that may eventually employ up to 10,000 workers.¹⁶ Tradepoint Atlantic is a joint venture between Baltimore's Redwood Capital Investments and the Chicago-based liquidation and redevelopment company Hilco. Together, they purchased the old steel mill property for \$110 million in September 2014. Two years earlier, RG Steel had struggled to make the old mill competitive, employing nearly 2,000 workers, far fewer than the prospects for Tradepoint Atlantic. It is doubtful that tariffs could have saved the Sparrows Point plant, but the transition to Tradepoint Atlantic deserves greater policy consideration and should prompt a debate over mill decommissioning and transitioning to higher-valued activities. Moreover, the Department of Commerce's 2018 report misconstrues the histories of both Fairfield and Sparrows Point to justify the steel tariffs.

The snap enactment of the steel and aluminum tariffs left most downstream steel- and aluminum-consuming industries in the lurch. The tariffs were enacted on March 23, 2018, leaving little time for consuming industries to address the ensuing supply-chain challenges, including the renegotiation of purchase agreements and the search for domestic suppliers. The rush to adapt to the tariffs was further complicated by the uncertain rollout of the exclusion process. The Department of Commerce had studied the domestic steel and aluminum markets since April 2017, but the exclu-

sion process rollout challenged the administration’s capacity to expeditiously evaluate and decide the fate of thousands of exclusion requests submitted during the first months of the program.

Secretary Ross advised the president to establish a relief program for importing firms based on

1. lack of sufficient US production capacity of comparable products or
2. specific national security–based considerations.¹⁷

Accordingly, the secretary outlined a tariff exclusion request process designed to identify requests without objections and evaluate those requests met with at least one objection by a domestic firm. For each request, the Department of Commerce was supposed to offer an approval or denial within the stipulated 90-day period. The BIS in particular was tasked with receiving the requests and objections, noting submission errors, and assessing the national security implications of each request. Curiously, the Government Accountability Office (GAO) reports that between March 2018 and November 2019, not one of the 18,733 steel product requests or the 1,059 aluminum requests were denied because of national security.¹⁸

Pivotal to the exclusion process was whether domestic producers objected to requests, thereby stating that they could manufacture and deliver identical products or suitable substitutes within a timely manner. The task of evaluating whether a domestic producer could replace an import was assigned to the International Trade Administration (ITA), specifically its enforcement and compliance unit. During the first 19 months of the relief program, the ITA’s enforcement and compliance unit had evaluated and forwarded decision recommendations (approval or denial) on behalf of 67,508 steel product requests and 8,902 aluminum product requests.¹⁹ During the same period, the BIS and the ITA failed to meet the 90-day window for 79 percent of steel requests and 72 percent of aluminum requests. According to the GAO, Department of Commerce officials explained that its limited workforce could not keep pace with the unexpected numbers of requests and objections. Initially, the Department of Commerce had estimated that it would receive and evaluate 4,500 exclusion requests and 1,500 objections for both steel and aluminum tariffs during the first year, but as of November 2019, the ITA had a caseload of more than 100,000 requests and 30,000 objections, with no end in sight.

The greater-than-expected workload was exacerbated by the administration’s decision to require that each exclusion request include exact product specifications and that multiple requests be submitted for one product if individual instances of that product vary in their dimensions—even by only a matter of centimeters. This decision multiplied the number of distinct requests, objections, and evaluations, as well as the probability of submission errors (mostly by objectors) and evaluation errors. By November 2019, the GAO had found a combined submission error rate of 18 percent for steel and aluminum requests.²⁰ One reason this requirement created so much work is that it obliged ITA evaluators to confirm whether objections correctly matched the dimensions of corresponding requests, rather than evaluate a batch of identical requests that simply varied by

dimension. In later stages, the ITA performed batch evaluations and recommendations whenever appropriate, but by that time, the ITA's enforcement and compliance unit was already swamped.

ITA managers reported to the GAO that they were caught flat-footed, with insufficient staff to conduct evaluations and make recommendations within the 90-day window. Faced with the snowballing number of cases, the ITA contracted Ardent Eagle Solutions (AES) to recruit and employ exclusion request evaluators. AES is a small veteran-owned-and-operated consulting firm that provides the federal government with defense, intelligence, and information technology services. Before March 2018, the firm did not have any experience in trade policy analysis, but it quickly recruited dozens of professionals, most of whom had completed graduate programs in public policy and had prior experience as employees or contractors of the federal government.

Although AES had been able to recruit qualified and well-prepared professionals to conduct evaluations, the ITA and AES struggled to retain evaluators. Fewer than 20 percent of the AES evaluators hired in 2018 are still working in the program. To make matters worse, the turnover of AES evaluators increased as a consequence of the long federal government shutdown from December 22, 2018, to January 25, 2019, because evaluators were not paid for this period. The high rate of evaluator turnover increased recruitment, hiring, and training costs during the rollout of relief process and contributed to the errors and delays. Moreover, the evaluation element of the exclusion request process was complex from the beginning, but frequent changes to BIS and ITA procedures and evaluation guidance challenged the performance of ITA managers and the AES evaluation team from the beginning.²¹

PERIOD 2: REBUTTALS AND SURREBUTTALS

In September 2018, the ITA faced a mountain of exclusion requests and objections. Five months after the launch of the Section 232 tariffs, importing firms and domestic producers were increasingly turning to the exclusion process as an arena for dispute and second-level negotiations over purchase agreements. The Department of Commerce reported that it had received more than 38,000 exclusion requests and more than 17,000 objections by August 2018 and that it had taken procedural measures to expedite the granting of properly filed exclusion requests that had no objections and that did not present national security concerns. In addition, the ITA was adding staff, primarily through its contract with AES, to address the request backlog and delays.

On September 11, 2018, the Department of Commerce issued a new interim rule to amend the relief program. The new rules would “streamline the exclusion review process” and include efforts to “increase and organize its staff to efficiently process exclusion requests.”²² These changes were triggered by the Department of Commerce's efforts to address the conflicts surrounding the Section 232 tariff program and complaints about the exclusion process. Consequently, Secretary Ross agreed to include requestor rebuttals and objector surrebuttals.

The Department of Commerce justified these changes as an effort to achieve a “fair, efficient, and transparent” exclusion process.²³ The inclusion of rebuttals and surrebuttals attended to some of the complaints regarding fairness and transparency, but further challenged the efficiency of the relief program. Rather than expedite the exclusion process, the changes added administrative steps and multiplied the time necessary to fairly and effectively assess each contested case.

Of the 50,402 tariff exclusion requests that had been filed by December 20, 2018, 30,232 were pending a decision, 15,218 had been approved, and 4,952 had been denied.²⁴ Although the ITA had been hiring evaluators to contend with the cascading number of document submissions, 76 percent of steel tariff exclusion requests had not been issued a decision before the ensuing month-long government shutdown.²⁵ Thereafter, the ITA’s enforcement and compliance unit struggled to keep pace with the increasing number of submitted documents amid rising evaluator turnover and increasing disruptions to the government portal, Regulations.gov, for submitting request-related documents. The Department of Commerce extended the 90-day time frame for contested requests to 149 days, telegraphing that relief would not be swift.

PERIOD 3: THE SPECIAL PORTAL AND TARIFFS ON DERIVATIVES

The Department of Commerce launched a special Section 232 steel and aluminum tariff exclusion portal on June 13, 2019.²⁶ The new submission portal was intended to streamline the process, enhance data and submission integrity, and ease the filing burden on objectors. The GAO recognized that “[the portal] provides users with a real-time status on each of their exclusion requests so they can follow their progress and have greater visibility into the process.”²⁷

The platform was launched to reduce errors by allowing objectors to simply replicate the material specifications and dimensions listed in the original exclusion request. Under the previously used Regulations.gov platform, objectors needed to manually input the requested specifications and dimensions, leading to greater errors in the process. The Section 232 portal reduced the likelihood of submission errors related to specifications and dimensions, thereby easing the administrative difficulty of filing objections. However, the design of the special portal added further complexity without including analytical tools for the evaluation of each request.

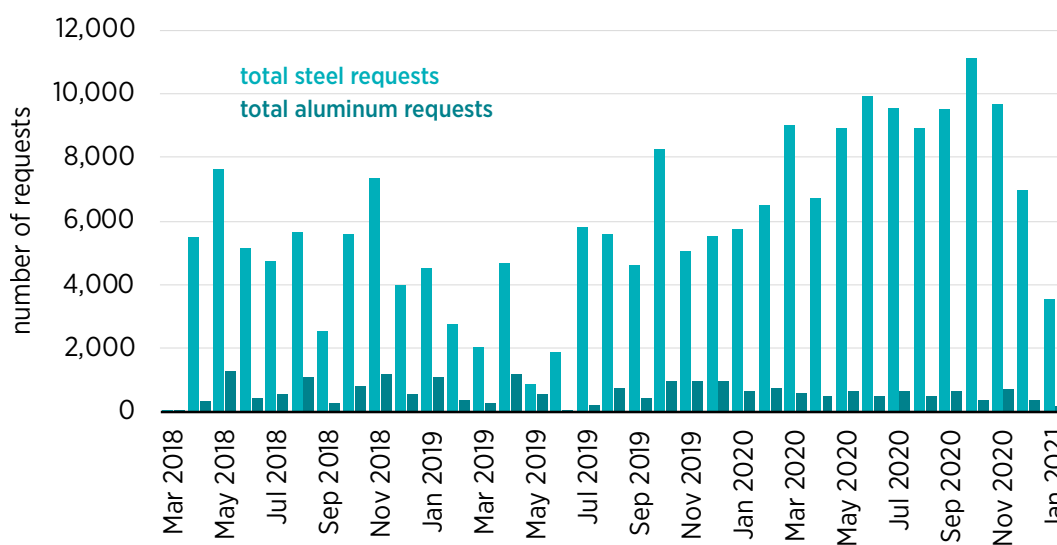
By the time the new portal had launched, the ITA had been evaluating objections on the basis of three basic criteria: (a) objectors’ ability to offer identical or suitable substitute products, (b) objectors’ ability to provide substitute products at a requested volume, and (c) objectors’ ability to provide substitute products in a timely manner (defined as a manufacturing time of eight weeks). But rather than frame the request and objection submission templates using these criteria, the portal asked a number of questions irrelevant to evaluation. For example, objectors were required to state a delivery time—i.e., the amount of time from the moment a product ships to the moment of final delivery in the United States. Also, requestors were asked four questions regarding product

availability that have no bearing on the underlying reasons for tariff relief. Moreover, the portal did not incorporate analytical tools for evaluators to identify discrepancies between requests and objections, such as product names and volumes, in order to speed up the evaluation process. In sum, the introduction of the portal missed an important opportunity to focus the request process on the key evaluation criteria.

The Department of Commerce received an average of 4,292 steel and aluminum exclusion requests every month from March 2018 to November 2019. However, after the launch of the portal, the monthly average shot up to 8,096 by the end of 2020. Although the portal may have allowed the BIS to improve its performance on requests without objections, the number of contested cases and the complexity of their evaluation increased (see figure 2).

On January 24, 2020, Presidential Proclamation 9980 applied the Section 232 steel and aluminum tariffs on a list of derivative products, such as steel nails and aluminum wire.²⁸ These products were folded into the tariff exclusion process. The administration’s decision to expand the tariffs came after the ITA’s 2020 budget justification, calling for more budget support to meet its responsibilities under the Section 232 exclusion process. The ITA concluded that, “without additional funds to sustain contractors, the time needed to process exclusion requests, objections, rebuttals, and

Figure 2. Total Steel and Aluminum Product Exclusion Requests



Source: Author’s calculations based on US Department of Commerce, “Public Exclusion Requests” (dataset), accessed January 19, 2021, <https://232app.azurewebsites.net/>; Bureau of Industry and Security, “Requirements for Submissions Requesting Exclusions from the Remedies Instituted in Presidential Proclamations Adjusting Imports of Steel into the United States and Adjusting Imports of Aluminum into the United States; and the Filing of Objections to Submitted Exclusion Requests for Steel and Aluminum,” accessed July 30, 2019, <https://beta.regulations.gov/docket/BIS-2018-0006>; Bureau of Industry and Security, “Requirements for Submissions Requesting Exclusions from the Remedies Instituted in Presidential Proclamations Adjusting Imports of Steel into the United States and Adjusting Imports of Aluminum into the United States; and the Filing of Objections to Submitted Exclusion Requests for Steel and Aluminum,” accessed July 30, 2019, <https://beta.regulations.gov/docket/BIS-2018-0002>. The microdata are available for download at QuantGov, “Section 232 and 301 Tariff Data and Interactive Maps,” accessed January 19, 2021, <https://www.quantgov.org/tariffs#tariff-data>.

surrebuttals could increase significantly, resulting in duties being needlessly collected and delays in raw materials supplied to manufacturers.”²⁹

In response to mounting concerns over the exclusion process and its efficiency, Representative Jackie Walorski questioned Secretary Ross about the justification for extending the tariff program to derivatives and about the possible downstream impacts such an extension would have on US manufacturing. She argued that the presidential authorization did not provide sufficient time for stakeholders to weigh in on the merits of extending the tariffs to derivatives. Walorski also asked whether Ross’s department had the necessary staff to evaluate and process the expected increase in exclusion requests.³⁰ Walorski and a growing number of stakeholders have expressed concern that the addition of derivatives has increased the burden on the ITA and has increased market insecurity amid the supply chain disruptions of the tariffs and, subsequently, the onset of the coronavirus pandemic in early 2020.

PERIOD 4: DECEMBER 2020 INTERIM RULE CHANGES

The December 14, 2020, interim rule changes represent the most substantive changes to the Section 232 exclusion process and the first effort to achieve greater efficiency. Although these recent modifications strike a balance between requestor and objector complaints over the process, they also signal the Department of Commerce’s implicit recognition that the overall endeavor is too large and cumbersome for the long haul.

The first modification is that requestors must now certify that they will not request excessive volumes of a product for the purposes of hedging or arbitrage. In response to high uncertainty regarding the administration and duration of the Section 232 tariffs, requesting companies have often requested volumes well in excess of their recent annual average consumption. Objectors, with limited capacity, complained about this practice and were successful in lobbying the prior administration to curb it.

The second modification—one that is more important for objectors with limited capacity—is a redefinition of the timeliness criterion. Significant numbers of requests with objections were approved on the basis of the objecting companies’ inability to manufacture the requested product or a suitable substitute within eight weeks. The rule modification allows requests to be denied in cases where the objector cannot meet the eight-week threshold but can nevertheless manufacture and deliver a substitute in a shorter time period than the requested product. This change squeezes out prospective requests that allow for tariff-free imports, even though their manufacturing and delivery times are longer than those of domestic producers.

Most importantly, the December 2020 interim rule changes also include a significant departure from the Trump administration’s Section 232 approach by establishing a list of GAEs. The GAE

provision identifies 108 steel and 15 aluminum product categories subject to this relief measure. The adoption of the GAEs will likely lead to a measurable reduction in requests, with smaller, but important, decreases in objections and resulting evaluation work. The BIS estimates that the GAE provision could reduce the number of requests by 5,000 annually, or 5.6 percent.

Overall, the December 2020 rule changes constitute incremental improvements to a deeply flawed trade policy. Although the rule alterations reflect the Department of Commerce's efforts to contend with a broad range of competing complaints, they also highlight the complexity of administering a poorly conceived policy that erects a tall tariff wall on a full range of steel and aluminum products that are essential to US manufacturing. Whereas the exclusion process, including the recently established GAEs, offers relief to select firms, the tariffs continue to reduce the overall competitiveness of US manufactured exports.

IMPLICATIONS AND RECOMMENDATIONS

The original sin of the Section 232 steel and aluminum tariffs is the faulty analysis presented in the Department of Commerce's January 2018 reports. Global overcapacity challenges domestic steel and aluminum producers, but the Department of Commerce fails to specify exactly how. For example, the United States runs a negative trade balance in aluminum products, and imports have risen over the past decade, but making up the largest share of these imports is primary (unwrought) aluminum from Canada. Neither the Department of Commerce's report nor the presidential proclamation highlighted this essential fact or framed a prudent response to it. Nevertheless, the Canadian-US bilateral agreements, cited in the report, address national security implications and reflect the integration of the two countries' manufacturing industries.

The global steel market is much more complex than aluminum, but the Department of Commerce did not specify exactly how the global market affects domestic production. Most US steel imports originate from a handful of exporter-nations, including Canada and Mexico, which are also the largest markets for US steel exports.³¹ In terms of flat products, Canada, Mexico, and South Korea are the largest sources for the United States. In terms of long products, Canada and Japan are the largest sources. In terms of pipes, South Korea, Canada, and Mexico are the top three sources whereas Brazil, Mexico, and Russia are the leading exporters of semi-finished products. During the first year of the Section 232 tariffs, imports from Russia and Vietnam fell significantly, along with imports from countries that are major exporters to the United States, Canada, Mexico, Japan, and South Korea. Brazil, which negotiated a Section 232 steel quota agreement in 2018, is the only major exporter-nation that raised its exports to the United States during the period.

The exclusion process is simply too convoluted to mitigate the harmful effects of the Section 232 tariffs. Although the Trump administration exercised prudence and political acuity when it decided to establish a relief program, the design and administration of that program has led to

errors and delays, adding to investor uncertainty and market distortions. The exclusion process is too imperfect, too slow, and too unpredictable for domestic downstream industries that have products competing with imports and that struggle to preserve their foreign markets during the pandemic shake-up.

I offer four recommendations to remedy the worst aspects of the tariff relief program:

1. Trade policymakers in Congress and in the administration should review how the steel and aluminum tariffs have affected domestic industrial supply chains and formulate policies that make domestic manufacturing more competitive and export oriented, not less.
2. The Department of Commerce's trade policy team should assess domestic steel and aluminum production facilities and identify obstacles to achieving greater levels of competitiveness and efficiency. The review should also include proposals on how best to decommission and transition inefficient mills and their workers, including short-term, targeted subsidies to offset the costs of mill decommissioning and workforce development.
3. Given the administration's focus on building a robust postpandemic economy, domestic downstream manufacturing industries should be extended the opportunity to formally request GAEs and receive a final determination within a hard 90-day time frame. GAEs should be automatically approved when the Department of Commerce does not publish a decision within this time frame; such a change would compel greater attention to the relief program's efficiency.
4. A firm sunset date for the Section 232 steel and aluminum tariffs should be announced without regard for the political or electoral effects. This presidential action should take place before the 2022 midterm electoral cycle.

The Section 232 steel and aluminum tariffs challenge President Biden and his pledge to govern for all Americans. The tariffs have assisted the most inefficient producers while increasing the costs to the most efficient downstream manufacturers, including significant losses of employment. These outcomes put a drag on the US economy at a time when many competitive firms and workers are already struggling to survive the pandemic. The future prosperity and resiliency of the US economy depends on whether the president turns away from unilateral trade measures that reward a select few or leads the way toward a more resilient national economy that is increasingly competitive on a global scale.

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NOTES

1. An ad valorem tariff is a common type of trade tariff that is implemented as a customs duty, calculated as a percentage of the value of the imported product.
2. For a full analysis of Section 232 and national security, see Scott Lincicome and Inu Manak, "Protectionism or National Security? The Use and Abuse of Section 232" (Policy Analysis No. 912, Cato Institute, Washington, DC, March 9, 2021).
3. Bureau of Industry and Security, *The Effect of Imports of Steel on the National Security*, January 11, 2018; Bureau of Industry and Security, *The Effect of Imports of Aluminum on the National Security*, January 17, 2018.
4. Proclamation No. 9704, 83 Fed. Reg. 11619, 11620 (Mar. 8, 2018); Proclamation No. 9705, 83 Fed. Reg. 11625 (Mar. 8, 2018).
5. Letter from the Congressional Steel Caucus to Donald J. Trump, President of the United States (Oct. 26, 2017), https://crawford.house.gov/uploadedfiles/10.26.17_sc_trump_232_investigation_final.pdf.
6. Initially, the Trump administration negotiated quota agreements with Argentina, Brazil, and South Korea while exempting Australian imports from the tariffs.
7. Proclamation No. 9704, 83 Fed. Reg. 11619, 11621 (Mar. 8, 2018).
8. Christine McDaniel and Joe Brunk, "Steel and Aluminum Tariffs Do More Harm Than Good," *The Bridge*, January 20, 2020.
9. Bureau of Industry and Security, *The Effect of Imports of Steel*, 48.
10. The Department of Commerce cites US Department of Commerce, *Critical Materials Requirements of the U.S. Steel Industry*, March 1983.
11. Steel and aluminum mill decommissioning can be expensive, discouraging firms from investing in cleanup and recycling of production installations. For more information, see Arcadis, *A Bright New Future for Abandoned Steel Works*, n.d.
12. Bureau of Industry and Security, *The Effect of Imports of Steel*, 33.
13. Andrew Yeager, "U.S. Steel to End Operations at Alabama's Fairfield Works Mill," August 18, 2015, in *Morning Edition*, produced by Kenya Young, radio show, <https://www.npr.org/2015/08/18/432683704/u-s-steel-to-end-operations-at-alabamas-fairfield-works-mill>.
14. Lydia Chavez, "U.S. Steel to Close Big Alabama Mill," *New York Times*, May 22, 1982.
15. Jerry Underwood, "U.S. Steel Starts Up Electric Arc Furnace Facility in Alabama," *Made in Alabama*, October 27, 2020.
16. Pamela Wood, "Former Sparrows Point Steel Mill Gets New Name," *Baltimore Sun*, January 12, 2016.
17. Bureau of Industry and Security, *The Effect of Imports of Steel*, 61.

18. Government Accountability Office, “Steel and Aluminum Tariffs: Commerce Should Improve Its Exclusion Request Process and Economic Impact Reviews” (report no. GAO-20-517, Government Accountability Office, Washington, DC, September 2020), 21, figure 2.
19. Government Accountability Office, “Steel and Aluminum Tariffs,” 20, figure 1.
20. Government Accountability Office, 13.
21. ITA managers frequently changed the criteria for evaluating requests, but they eventually focused on three principal criteria: (a) objectors’ ability to offer identical or suitable substitute products, (b) objectors’ ability to provide substitute products at a requested volume, and (c) objectors’ ability to provide substitute products in a timely manner (defined as a manufacturing time of eight weeks).
22. Bureau of Industry and Security, Submissions of Exclusion Requests and Objections to Submitted Requests for Steel and Aluminum, 83 Fed. Reg. 46026, 46027 (September 11, 2018).
23. Bureau of Industry and Security, Submissions of Exclusion Requests and Objections to Submitted Requests for Steel and Aluminum, 83 Fed. Reg. 46026, 46027 (September 11, 2018).
24. Christine McDaniel and Danielle Parks, “Growing Backlog, Inconsistent Rulings Cast Doubt over Tariff Exclusion Request Process,” *The Bridge*, January 28, 2019.
25. McDaniel and Parks, “Growing Backlog.”
26. “Published Exclusion Requests,” US Department of Commerce, accessed April 27, 2021, <https://232app.azurewebsites.net>.
27. Government Accountability Office, “Steel and Aluminum Tariffs,” 31.
28. Proclamation No. 9980, 85 Fed. Reg. 5281 (Jan. 24, 2020).
29. International Trade Administration, *Budget Estimates: Fiscal Year 2020*, n.d., ITA-46.
30. Letter from Jackie Walorski, House of Representatives, to Wilbur Ross, Secretary, Department of Commerce (Mar. 3, 2020).
31. International Trade Administration, Global Steel Trade Monitor (database), accessed April 27, 2021, <https://www.trade.gov/data-visualization/global-steel-trade-monitor>.