

# Canada Missed Out on a Huge Opportunity

By Victor Davis Hanson

This week, [Canadian Prime Minister Mark Carney](#), who was newly elected as the prime minister with a majority of seats in the Canadian Parliament, is visiting Washington.



As I speak, he's been holding sessions with [President Donald Trump](#) about the so-called trade war and Trump's trolling of him about being a 51st state. Let me just address that first.

Donald Trump did not like former Prime Minister Justin Trudeau, who did not like Donald Trump. And he was so frustrated by the surpluses that Canada kept racking up and their unwillingness to spend the required NATO 2% of gross domestic product investment in munitions that he would troll Canada and say, "We're the same language, the same people. We could do a lot better job than this guy."

And of course, he took that very seriously. And then there was an election. Trudeau was a failure. Pierre Poilievre, the

conservative candidate, had a 20-point lead. He lost it partly because Carney was the champion of Canadian nationalism and said, "We're never gonna make a 51st state. Donald Trump has no business doing—"

It's kind of like what Trump did with Panama and Greenland. It's a way of "Art of the Deal." We got China to the—we kind of made it a little bit more irrelevant in Panama. We've got some reforms going on. Same with Greenland. We were never going to invade either one.

We're never gonna make Canada a 51st state. You need a majority vote of the Congress. The Congress is never going to vote to admit Canada because [the Left](#) would feel it was an infringement upon their sovereignty. We were imperialists, colonialists. The Right said, "Why do we want another New York or Colorado to screw up the country?"

So, it's not gonna happen. And Carney knew that, but he ran on it. And he whipped up nationalism. And that was fine. That's what politicians do. But now he's in a conundrum. He's got to come to the White House. Trump knows what he did. So, Trump is reminding him about the 51st state. But there's two issues and they don't look good for Canada.

No. 1 is, in 2014, all the NATO countries promised to spend 2% of GDP. And under Trump's prodding during the first term and then the Ukraine war during President Joe Biden's term, it has frightened most of them. And there's only 8 of the 32 nations, about, that have not met their 2% obligation. Canada's one of them. But it's one of the least cooperative of the 32 nations.

In other words, it only spends 1.37% of its GDP on defense. It won't kick in another \$40 billion to help arm it. And you could make the argument that it depends on the United States. It looks that if there's any hostile activity, cartels, they're down there in Mexico with the United States between them. And nobody is going to proverbially mess with [Canada](#)

when the United States has it under its nuclear shield, Alaska early warnings, you name it.

So, they know that. And they do not want to spend the money. And they're shorting their other NATO partners. And they're derelict and they're culpable

The other thing is, they're running up \$63 billion with their trade surplus with their partner. And most of it is because they have a thick, sulfurous crude oil that's in the middle of the country. And it's very convenient for them to go right across the border and sell it to us. And we like it. And we can refine it. We have the refineries that can deal with that type of difficult crude.

It'd be very difficult for them to send it all the way to their east or west ports and make the same profit. Ninety-five percent of their oil comes to us. We're a good customer, in other words. Why would they not then say, "We'll try to import more poultry, cheese, agricultural products. We can't get down to zero but let's—we can cut the trade surplus by \$20 or \$30 billion. You're our neighbor"?

But they didn't do that. And so, he instead whipped up—it was very successful to whip up Canadian nationalism. Very successful to win that election. But then where do you go from that? You go and see Donald Trump and you want to just say, "We're not gonna be a 51 state. We're not gonna be a 51 state"?

Does he really believe that the majority of people in Congress are gonna vote to admit Canada? Nobody wants to do that.

So, what am I getting at? He could have had a statesmanlike message both during the election and when he saw Trump. He could have said this: "Donald Trump is trolling us. We're friends with the United States. He's trying to needle us so that we spend more money on NATO and we lower our surplus, which is growing very big. And we're gonna do that. We're

gonna negotiate. Don't take him serious. He's just doing this like he did to Panama. We're good friends. He kids us. We kid him."

But he didn't do that. He tried to whip it up. And it was successful. But once you whip it up and you get that hostility, then you've gotta go deal with him. And then you've gotta tell him, "I'm not gonna spend \$40 billion on our defense. We're going to subsidize you on defense. And we're not gonna lower that.

That's not gonna work. It's not gonna work. And so, I think that he can say, he'll leave the meeting and say, "I told him we're not gonna be a 51st." That was an irrelevant misadventure. It was going nowhere and he knew it.

But the two issues that he knew were important—that they should man up and pay their 2% and help defend not only [NATO](#) but the North American continent, which they had done brilliantly in the past—he didn't want to talk about. Or he'd say they'd do it in five years. "Five years, we'll do it." No, you've already been derelict for 11 years.

Or he could have said, "We don't run up big surpluses with our friends. We're not Mexico. We're much closer to you. And we're gonna work on this. And we're gonna try to import. We'll work it down. This is"—no. No.

He created his nationalist paradigm. It got him elected. And now he owns it. And it's not gonna work with Donald Trump. I wish it would but it's not because if you want to alienate the United States and you want to take seriously the "Art of the Deal" trolling and sort of laugh it off or, better yet, the Panamanians knew what they were doing. They knew what they were doing. They were getting too close to China. They were surrendering partial sovereignty. And they backed off. And it's going to be a beautiful relationship with us.

But Canada just couldn't do that. And I think they will

eventually.

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