

What a Trump Presidency Means for Canada

By Conrad Black

Contrary to widely expressed fears in Canada, there is plenty of room for the Canadian government of either major party to work cooperatively with the new American administration on most fronts. A couple of months ago, I had occasion to ask then-candidate Donald Trump whether Canada had anything to fear if he were elected. He said: "Your trade negotiators are better than ours, but all I'm asking is fair trade which is not a big problem with Canada." He added that he knows the country well, has done lots of business here, and has nothing but liking and goodwill for Canada.



A [poll several months ago](#) by The Hub found that 64 percent of Canadian conservatives think Trump will increase oil and gas

production if elected, and 59 percent think he will insist that Canada increase its military spending to meet the NATO commitment of 2 percent of GDP, which it has ignored up to now. The percentage of conservatives who think Trump will cut aid to Ukraine is 54 percent, according to the poll, while 52 percent think the Trump administration will impose new tariffs and 51 percent think it will restrict immigration to the United States from Canada. A renegotiation of the Canada-U.S.-Mexico trade deal is expected by 45 percent of Canadian conservatives, and 49 percent expect a decrease in financial support for electric vehicles. More broadly, 38 percent think Trump will have a negative effect on the flow of goods between Canada and the United States, the poll showed, and 37 percent think Trump will have a negative effect on the future of NATO.

I'll deal with these concerns in the order they were mentioned. First, since Trump has said that on Inauguration Day he will propose to [reactivate the Keystone XL pipeline](#)—which is in itself a good thing for Canada and would be welcomed in Alberta and Ottawa—and put in place incentives for the immediate expansion of American production of oil and natural gas, he will certainly increase American oil and gas production. But he has also said that he will [put economic pressure](#) on unfriendly oil-exporting countries, particularly Iran and Venezuela, and will invite other friendly countries to join the United States in decreasing the oil revenues of those countries. He specifically includes Canada in this, and the XL pipeline, if it goes ahead, will end at the Gulf of Mexico in direct competition with Venezuela.

It is expected that Trump will reimpose heavy sanctions on Iran and extend those sanctions to any other countries that defy them. It will be the position of the Trump administration that Iran is a terrorism-supporting state conducting aggressive war against a number of other countries and that in international law, the United States is right to impose sanctions upon Iran and has the complete right to enforce its

sanctions by any non-violent methods that it wishes. That was the policy of his first administration, and it was very successful in strangling the flow of money and arms to the Hezbollah, Hamas, and Houthi terrorist clients of Iran. There is nothing in any of that to arouse legitimate concern with Canadians. It is the morally correct policy and will be profitable for us.

Trump will undoubtedly urge Canada to raise its defence spending to the level it has already committed to, and which Justin Trudeau has recently pledged to achieve within a few years. There is nothing harmful to Canada in this, and indeed we shouldn't need any threats from the United States to do it. We have been appalling freeloaders in NATO for many years, and have allowed our military capability to deteriorate to the level of a small and poor country. Defence spending is among the most advantageous for a country's well-being, with a high multiplier effect on the economy.

President-elect Trump has pledged to end the Ukraine War, but has made it clear that he will not accept Russian President Putin's peace terms. It is clear that he will require a partial retirement from Ukraine of the Russians, but accept some accretion of Russian territory and leave Putin in no doubt that if Russia does not accept this, the United States will arm Ukraine with weapons that will carry the destruction of Russia's aggressive war into Russian civilian areas, as the Russians have done to Ukraine almost with impunity for over two-and-a-half years.

At some early point, Putin will accept these terms and Trump, presumably with the backing of NATO, will inform Ukraine that that is the best that can be done, but that Ukraine may join NATO and the European Union as soon as it is ready, that everyone in the former borders of Ukraine will be free to move to Ukraine in its reduced borders, and that the massive military assistance it has been receiving will be replaced by comparable amounts of economic reconstruction assistance. This

is the best peace that can be made, and Trump will make it. Then the West can gradually, and at no expense to any country, impress upon Russia that it is better off in alliance with the West than with China. Getting Russia out of the Chinese embrace is the other strategic objective of the West in the Ukraine war, apart from preventing Russia's reabsorption of Ukraine.

As for tariffs, there could be some increases but they are unlikely to be drastic, and the Canadian custom is to cushion this by fine-tuning the relationship between the U.S. and Canadian dollars. The same reasoning applies to a renegotiation of the Canada-U.S.-Mexico trade agreement. Trump has extensive grievances against the conduct of Mexico but minimal complaints about Canada, and to the extent that the United States requires more equitable conduct for Mexico, Canada will also benefit from that.

There is no reason to believe that Trump will restrict immigration from Canada; in fact he will probably welcome it as he is in favour of legal immigration.

There will certainly be a reduction in financial support for building electric vehicles, but this too should be a welcome development in Canada. Both incumbents in Canada and the United States have plunged into the climate hysteria and severely retarded the economic progress and competitiveness of the two countries. To the extent that Trump provides a counter-pressure, all Canadians should rejoice and even throw their hats (and toques and earmuffs) in the air.

The great plus factor in the new Trump presidency will be the sharp acceleration of U.S. economic growth and per capita disposable income. As half of Canada's GDP is connected to the United States, this will be an overwhelmingly positive development for us: The Americans will have more and not less money to spend with us. It is very unlikely the flow of goods between Canada and the United States will decline.

Lastly, the final point about the United States being a negative force in NATO belies the facts. Trump will reinvigorate the alliance and assist it in becoming more selective in where it intervenes by a joint agreed definition of the NATO collective interest, while ensuring that we have the military force to protect that interest.

Canadians have no reason for anything except optimism about the consequences of the second Trump administration, not only for Canada but also for the world.

First published in the [Epoch Times](#)