Canada scrambles to keep privileged ties with Trump-led America

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Canada's Liberal government has launched a major diplomatic offensive to convince the incoming Trump administration to maintain and expand the Canadian bourgeoisie's economic and military-security partnership with the US, including privileged access to the US market.

Since the November 8 US election, Trudeau's principal secretary, Gerald Butts, and his chief of staff, Katie Telford, have held at least a dozen meetings with top representatives of Trump's transition team, including his son-in-law, Jared Kushner, and chief strategist, the neo-fascist owner of Breitbart News, Stephen Bannon.

Last week, shortly after the Liberals publicized their concerted efforts to "engage" with Trump, Trudeau shuffled his cabinet. The press uniformly interpreted Trump's impending assumption of the US presidency as the chief reason for the shuffle. For his part, Trudeau said Canada's government had to take into account the "shift in global context."

For three-quarters of a century, Canadian imperialism has relied on its partnership with Washington to advance its global interests. Canada was a founding member of NATO, is tied to the Pentagon through the North American Aerospace Defense Command (NORAD), and since the dissolution of the Soviet Union has participated in virtually every US war in the Middle East, Africa and Central Asia.

The Canada-US military-security alliance is underpinned by a close economic partnership. Fearing the growth of protectionism in Washington and the increasing division of the world into regional trading blocs, the most powerful sections of the Canadian bourgeoisie changed course in the 1980s, abandoned their traditional "national policy" and pressed for Canada to forge a free trade agreement with the US.

The 1989 Canada-US Free Trade Agreement and subsequently NAFTA (the North American Free Trade Agreement) provided a major boost to Canadian big business, especially in the 1990s. But they also increased Canada's vulnerability to a turn on the part of its US rivals to protectionist policies. Currently 75 percent of Canada's exports go to the US and in the case of the auto and oil industries, Canada's largest export earners, the figure is closer to 100 percent.

Ottawa is troubled by Trump's threats to downgrade NATO and otherwise turn away from the alliance system through which Washington has upheld North American global hegemony since World War Two. But its chief immediate concern is Trump's pledge to renegotiate and potentially even tear up NAFTA. Although China and Mexico are the main targets of Trump's protectionist pronouncements, there is considerable trepidation that Canada could be sideswiped by "Buy American" provisions and other nationalist measures that a Trump administration may adopt. On Friday, Trump's press spokesman Sean Spicer explicitly referred to Canada for the first time as a potential target for protectionist measures.

Canada's so-called newspaper of record, the *Globe and Mail*, published an alarmed report last week about the plans of the Republican Congressional leadership to introduce a "border adjustment tax." Backed by House of Representatives Speaker Paul Ryan, the measure would subject imports to a tax equivalent to the US corporate tax rate. With the Republicans intending to reduce corporate taxes to 20 percent, this would mean a 20 percent tariff on all imports. Such a measure would effectively spell the end of the integrated continental production lines used by the Detroit Three and to a lesser extent other automakers.

According to TD Bank assessment, worldwide only Mexico would be more adversely impacted by such a tax than Canada. Daniel Schwanen, vice-president of research at the right-wing C.D. Howe Institute, did not mince words when describing its impact: "On its face, this proposal is devastating. This could really hurt trade and millions of workers in Canada."

Expanding Canada's role in Washington's wars

The Canadian ruling elite is seeking to convince its US rivals to exempt Canada from its reactionary America First protectionist measures by pledging to increase its support for Washington's drive to offset the erosion in its global power through aggression and war.

The *Globe and Mail* reported Saturday that "security" has been a key issue in the discussions between Trudeau's and Trump's senior aides. While the *Globe* provided next to no detail on the substance of these discussions, it did raise whether Canada might join the highly provocative anti-China "freedom of navigation" exercises the US has staged in the South China Sea.

Canada's press has been full of editorials and commentary urging the Liberals to increase military spending, with many urging a doubling of Canada's current $20 billion defence budget so as to meet NATO's target that member states spend 2 percent of their GDP on their militaries.

Last week, CBC carried a sensationalist article about Russia in which leading US and Canadian foreign policy experts spoke of the need to deepen military cooperation in the Arctic and deploy new equipment like military icebreakers to counter Moscow. The article cited Rob Huebert, an expert on Arctic issues at Calgary University, to

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promote fears of Russian aggression in the far north, "History," said Huebert, "won't allow us to forget that a state that uses military force to change borders to achieve political objectives usually does not stop that type of behaviour until they meet a capability that can push back." He then ominously declared, "We have to make sure we can provide that type of pushback with our NATO allies."

While Canada's ruling elite has many misgivings about Trump and America First, it is all but unanimous in supporting the Trudeau government's efforts to offer the closest collaboration with what will be the most right-wing and belligerent administration in US history. This was perhaps given its most explicit expression by the *Globe*, the traditional mouthpiece of the Bay Street financial elite, which argued in mid-November that Canada has to do everything it can to be inside Trump's "walls."

In other words, Canada must align itself so closely with Trump, whether in global economic disputes or Washington's military-strategic offensives, that it is integrated into Trump's Fortress America strategy, which seeks to resolve US imperialism's crisis by offloading it, through protectionism, aggression and war, onto Washington's acknowledged adversaries and ostensible allies around the globe.

Significantly, the Trudeau government has let it be known that if push comes to shove, Canada will abandon Mexico to conclude a separate trade agreement with Trump. Arguing that Ottawa must put Canada's interests first, an unnamed "key" Trudeau advisor said, "Our goal isn't to save world trade."

Trudeau has sought and secured the assistance of veteran Conservatives in seeking to persuade the Trump administration of Canada's economic and strategic importance to US global power. This includes former Progressive Conservative Prime Minister Brian Mulroney, whom Trudeau has reportedly asked to use his personal friendship with Trump to argue "Canada's case," and Derek Burney, who was Mulroney's chief of staff and later served as Canada's US ambassador.

The centerpiece of Trudeau's cabinet reshuffle was the promotion of Chrystia Freeland from International Trade to Foreign Minister and effective government point person for Canada-US relations. A former international financial journalist and Thomson-Reuters executive, Freeland has close connections to both the Canadian and global financial elite. She is also an outspoken advocate of "free trade" and a firm ally of the far-right, anti-Russian regime in Ukraine. In a clear illustration of what the government views to be its principal foreign policy issue, Trudeau has left Freeland in charge of the Canada-US trade file, rather than her successor at International Trade.

Trudeau also moved veteran senior cabinet minister John McCallum from the Immigration Ministry to the post of ambassador to China. This was widely seen in the corporate press as a sign that the Liberals are determined to push ahead with greater trading and investment ties with China, possibly even including a free trade agreement. The sending of such a senior figure to Beijing could also be aimed at strengthening Ottawa's hand in talks with the Trump administration, since it underscores Canada's readiness to orient more towards China in the event of Trump insisting on the imposition of punitive protectionist measures.

Trudeau is well aware that a close alignment with a Trump administration that is deeply reviled by workers in the US and internationally for its militarism and anti-immigrant chauvinism will trigger popular opposition in Canada. The Liberal Prime Minister has thus taken the decision to keep a certain degree of distance in public from the new US president. Trudeau announced last week that he would not attend Trump's inauguration, but would instead begin a cross-country tour to hear from "grassroots" Canadians. He also cancelled plans to attend the World Economic Forum in Davos, a gathering place for the handful of billionaire plutocrats who control the vast majority of the world's wealth.

Such public relations stunts are the desperate attempt of a crisis-ridden ruling elite to prevent the eruption of social opposition, while at the same time ruthlessly pursuing its interests in alliance with US imperialism.

The fourteen months of Liberal Party rule have confirmed in spades the utterly fraudulent character of Trudeau's "progressive politics," which the trade unions, the NDP and pseudo-left all shamelessly promoted prior to the 2015 federal election. Trudeau's government has initiated a vast program of privatization to expand the presence of super-rich private investors in Canada's public infrastructure; deepened military collaboration with the US by sending troops to the Mideast war and to Eastern Europe to menace Russia; retained the antidemocratic measures brought in by previous Conservative and Liberal governments under the guise of the "war on terror"; and overseen a further growth in social inequality.

Having assisted the Liberals to power, the unions are now playing a foul political role by stoking Canadian nationalism while seeking to deepen their cooperation with the Trudeau government. Unifor President Jerry Dias, fresh from imposing concessions contracts on 23,000 workers at the Detroit Three's Canadian operations, has hailed Trump's planned renegotiation of NAFTA, claiming that it will allow "Canadians" to get a better deal. Writing in the *Globe and Mail* last week, Unifor's former economist Jim Stanford argued that Canada can now position itself to slash its auto trade deficit with Mexico by limiting market access, that is by pushing impoverished Mexican workers onto the unemployment lines.

Leo Gerard, the Canadian-born president of the Canada-US United Steelworkers union, has met with Canada's US ambassador, David McNaughton, to develop a joint USW-government strategy to lobby the Trump administration in favour of a North American protectionist, i.e. trade war, policy aimed against China and other Asian and European steel and aluminum producers.

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The unions, Trump and Trudeau

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