

The intensifying US-Canada trade war: a product and accelerant of inter-imperialist conflict

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Last month, Canadian Prime Minister Mark Carney declared the country at “war” after trade talks collapsed and Trump unleashed a new volley of 50 percent tariffs on a wide array of Canadian exports.

Ottawa has accused Trump and his minions of demanding that Canada effectively surrender key attributes of an independent state. This included insisting, just hours before the midnight August 22 deadline for a new trade agreement, that Canada cede to Washington veto power over any future trade agreement with a third country, as well as privileged access to Canadian energy and other critical resources and an exclusive “right” to change tariff rates on key commodities at will.

After Carney announced the “retaliatory” tariffs that came into force this week, Trump went a step further, vowing late last month to double the current 25 percent tariff on auto imports to 50 percent next January 1.

The new bans and tariffs Trump announced this week and due to take effect September 29 impact a relatively modest \$1 billion in Canadian imports. But they come after a barrage of trade actions, threats, and provocations, all meant to make good on the would-be US dictator’s threat to use “economic force” to crash Canada’s economy.

Trump mockingly referred to Canada’s Prime Minister as “Governor Carney” in a social media post. He has explicitly threatened Canadian oil producers with the fate of Venezuela, whose oil, in the manner of a US colony, has been placed under Washington’s control, following last January’s US invasion and the kidnapping of President Nicolas Maduro.

The breakdown of relations between what were only a few years ago arguably the two most closely aligned imperialist powers in the world goes far beyond sharp divergences over trade. For

Trump, it is a question of establishing unhindered American imperialist dominance over the entire hemisphere, by subordinating Canada to the status of a vassal or even annexing it as the 51st state, seizing control of Greenland, bullying Mexico, and imposing “regime change” on Cuba. This agenda was elaborated in last year’s National Security Strategy and has been dubbed by the White House the “Donroe doctrine.”

Carney acknowledged this reality in a video speech posted online Tuesday, in which he declared that Washington was determined to “break us to own us” and make Canada “dependent.” He railed against 160 years of “American expansionism,” which he said Canada had resisted since Confederation in 1867, and stated that this was not the first time that the US had sought Canada’s “annexation.”

Trump’s expansionist designs are beyond dispute. His methods resemble those of Hitler’s Nazi regime in the 1930s as it prepared for World War II by consolidating control over its “near abroad”—first through the “Anschluss” (joining) of Austria to the German Reich, and then the dismemberment and takeover of Czechoslovakia.

The revival of such lawlessness in inter-state relations arises from the total breakdown of the post-war order, expressed most clearly in American imperialism’s precipitous economic decline, which Trump is desperately trying to offset with his fascist “America First” program of trade war and military conquest. The Donroe doctrine’s insistence on a US “right” to exclude all overseas rivals from the Americas and establish unbridled American imperialist control over the Western Hemisphere is a critical stepping stone towards great-power conflict, above all with China.

American imperialism is playing the most aggressive part in a third world war that is accelerating rapidly and threatens the very survival of humanity. Thirty-five years of uninterrupted US wars of aggression have metastasized into a world war with interlocking fronts, from the war on Russia in Ukraine, Trump’s war of extermination on Iran aimed at reorganizing the Middle East, and the advanced preparations for war with China in the Asia-Pacific.

But American imperialism’s aggression cannot be opposed by lining up with any one or a coalition of its imperialist rivals. The trade war between the US and Canada is a reactionary conflict between two imperialist powers desperately seeking to secure their

interests in a struggle for control of the world's resources, markets, production networks, and trade routes.

Canadian imperialism is itself a protagonist in this struggle and is rapidly rearming. It opposes Trump—as Carney's repeated pleas for a new Canada-US “partnership” make clear—only because Washington refuses to recognize its “sovereign” right to the lion's share of the profits to be derived from exploiting the country's workers and abundant resources, and grant it privileged access to the US market.

Carney's Liberal government has embraced policies that Trump himself would applaud—procuring new fleets of fighter jets, warships and attack submarines, virtually abrogating the right to strike, handing refugees over to fascistic ICE agents, and public spending austerity.

Carney and several top ministers are holding a high-level “investment conference” in Toronto September 14 and 15 with the aim of attracting foreign capital to the country's ports and airports, energy and critical minerals, and rapidly expanding military production sector. Among the world's vultures descending on Canada's financial capital, at Carney's invitation, are top executives of BlackRock, Blackstone, Barclays PLC., and over 100 other investment firms and sovereign wealth funds. Carney will seek to entice them with pledges to make Canada the “best place for investment in the world” through a battery of measures aimed at intensifying worker-exploitation, from massive tax cuts, to privatization and deregulation.

Immediately after the investment conference, Carney will travel to Europe for European Union Commission President Ursula Von der Leyen's “State of the Union” address. According to Bloomberg, Carney will discuss “a new, all-encompassing relationship that will range from trade to security.” In his Tuesday speech, Carney boasted about the success of Marconi Technologies, a Montreal-based firm that became the first non-EU company to secure a contract under the EU's €800-billion SAFE (Security Action for Europe) rearmament program.

Over the past 18 months, Canadian imperialism has drawn closer to the European powers on the basis of Ottawa's full-throated support for the escalation of the NATO-instigated war on Russia in Ukraine; and their joint interest in trying to develop the military capacities to act independently of and against Washington to secure their own respective imperialist interests.

This has occurred under conditions of a fundamental breakdown in Trans-Atlantic relations unprecedented since the Second World War, throwing into the open inter-imperialist antagonisms that had long been smouldering under the surface of international relations. While Trump has attempted to cut a deal with Russian President Putin to secure US access to Russia's raw materials and cheap labour at Europe and Canada's expense, Carney and his European allies have been at the forefront of one reckless provocation after another to expand the war and inflict a defeat on Russia to subordinate it to semi-colonial status. Beyond the billions of military and financial aid provided by Ottawa to the Kiev regime, Canadian imperialism has also made a special contribution on the ideological front due to its long history of cultivating and deploying far-right Ukrainian nationalism in pursuit of its interests.

The working class in every country is paying the price for the

imperialist powers' mad escalation of world war and turn to trade war. In the US, Trump's war against Iran, trade war with Canada, and push to erect a fascist dictatorship threaten millions of jobs, sharp increases to the already high cost of living for workers, and workers' democratic and social rights. In Canada, Carney's “retaliatory tariffs” will escalate already climbing inflation and risk jobs in manufacturing and other sectors dependent on cross-border trade, while his pitch for new foreign investors and a self-sufficient military supply chain demands a ratcheting up of worker exploitation.

These conditions have already produced an upsurge in working-class opposition that must be unified across national borders to reject trade war and imperialist war. The strike by over 1,200 National Steel Car workers in Hamilton, Ontario, as well as the rejection of numerous contracts recommended by the United Auto Workers by autoworkers in the US demonstrate that a basis exists to unite American and Canadian workers in opposition to both governments and their agendas of war and austerity.

The main obstacle to this are the nationalist trade union bureaucracies. While the UAW lauds Trump's trade war tariffs as a boon to US workers, the unions in Canada tell the working class to join hands in “Team Canada” with Carney, the country's 89 billionaires, corporations, and all political parties from the social democratic NDP to the far-right Conservatives.

The urgent task is to revive the long traditions of joint struggle between American and Canadian workers, stretching back to the eight-hour-day movement in the 19th century and the building of the industrial unions in the 1930s, and infuse them with a new and higher socialist content. The only alternative to intensifying inter-imperialist antagonisms and world war is the fight for the socialist transformation of society. As David North emphasized in his opening report to the SEP (US) 9th Congress:

The world war now spreading across five continents raises to the highest level the historic struggle of this epoch: between global imperialist war and the world revolution, between imperialism's drive to organize and subjugate the earth and the ever-more conscious effort of the international working class to overthrow the social order that produces the redivision by imperialism.



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