



The Canada-U.S. border crossing at Detroit, the busiest trade crossing in the bilateral trade relationship. The very size of the relationship, \$2 billion a day, means Donald Trump and Justin Trudeau will find ways to get along. iStock photo

Geography has Made Us Neighbours. Now What?

Jaime Watt

Donald Trump's successful campaign for the presidency of the United States didn't so much rewrite the rulebook as burn it altogether. It remains to be seen how conventional and therefore predictable his presidency will be. The early signs indicate that Canada's stewardship of the bilateral relationship will be tested as it hasn't been since the last Trudeau was in office.

The sky hasn't fallen.

In the weeks following the U.S. presidential election, the stock market was on fire, the nuclear arsenal had yet to be launched, more goods continued to cross the Ambassador Bridge between Detroit and Windsor than any other international border crossing in the world and Americans are still going to work and to school every day.

However, change is coming; change that affects Canada. And how Canada chooses to respond to the change will play a big role in the impact it has on our country.

This change will manifest itself in two ways. First, political campaigners will have to rewrite the rule book. Second, in terms of policy, Donald Trump will present several challenges to the Trudeau government because each has very different goals, including on current challenges such as the environment and refugees.

The unorthodoxy of the Trump campaign was astonishingly successful laying waste to the idea that cookie-cutter political campaigns are winning campaigns.

Trump threw out the campaign rule book because he had never read the rule book. In doing so, he created at least three new rules for elections to come.

First, the candidate with the best ground game no longer necessarily wins. Second, television advertising is not the key to success it once was. Third, authenticity no longer matters.

Throughout the campaign, Trump insisted he did not need to rely on traditional campaign tactics to win. Hillary Clinton used the data-driven, on-the-ground machine that propelled President Barack Obama to two straight electoral victories. Trump, meanwhile, pointed to the overwhelming nomination victory he achieved with a relatively small team on a tight budget, and he stuck to that strategy for the election campaign.

Then, Trump campaigned in a different way. Instead of spending millions of dollars on television advertising, he focused on old-school rallies, his message seeping through the free media coverage and his often ridiculous Twitter posts.

Finally, rather than strive for au-

“ In terms of policy, Donald Trump will present several challenges to the Trudeau government because each has very different goals, including on current challenges such as the environment and refugees. ”

thenticity, he played a consistent role, just as he had done on his reality TV shows, *The Apprentice* and *The Celebrity Apprentice*.

Campaign professionals strive to create an authentic candidate to whom people can relate—one with a backstory that captures the essence of voters’ aspirations.

This was never going to happen with Trump, an unusually privileged son of a businessman, a billionaire who hasn’t paid federal taxes in years.

But what Trump lacked in authenticity, he made up for with consistency. His contrivance was perfectly constant, across all media, whether it was a major network interview, a stadium appearance in front of 10,000 adoring fans or a late-night Tweet.

The new campaign rule book fundamentally alters the political landscape. No longer should we equate electoral success with those with the deepest pockets, oldest party roots, the most endorsements or a perfect Norman Rockwell resume.

Looking ahead, and with regard to policy and the future of the U.S.-Canada relationship, many have argued that Trudeau’s mandate and many of his policy objectives are less likely to succeed with a Republican in the White House.

There is, however, another way to look at this—the Trump presidency might, just might, afford Canada economic good fortune.

In fact, it is not Trudeau’s legacy and progress that’s on the line.

Instead, more than a few policy

tenets close to the hearts of past Conservative governments are the ones at stake. The North American Free Trade Agreement (NAFTA), the Trans-Pacific Partnership (TPP), American rapprochement with Cuba, the Syrian civil war, engagement with Russia, unconditional support for Israel—the list goes on.

Trump’s presidency poses a greater threat to former prime minister Stephen Harper’s trade and foreign policy legacy than Trudeau ever did.

“ Given this new world we find ourselves in, it’s important that Trudeau respond only to concrete policy proposals that Trump puts forward, and not to his abstract Twitter proclamations. ”

Given this new world we find ourselves in, it’s important that Trudeau respond only to concrete policy proposals that Trump puts forward, and not to his abstract Twitter proclamations.

For the most part, Canadian governments have maintained a businesslike approach toward the United States, and such an approach will continue to serve Canada well with Trump in the White House.

There are a couple of things Trudeau needs to do to chart a path forward with Trump. He needs to reassure the Americans that we have their back on security.

He also must demonstrate that the economies of both Canada and the U.S. have been served well by constant, constructive engagement. He must demonstrate that the relationship is not a zero-sum game, that what is good for Canada in the bilateral relationship is also good for the U.S., and vice versa.

The new U.S. president and Canada's prime minister have very different policy goals. However, whether they like it or not, they will be forced to work together on certain key bilateral issues.

Trump's foreign policy acknowledges the fatigue that Americans feel about foreign military interventions. This sets the stage for the country to take a pass on multilateral conflicts.

Trump has already mused about scaling back American treaty obligations in Asia and with NATO, an alliance that he has attacked as "obsolete." Meanwhile, he has exchanged kind words with Russia, NATO's old nemesis.

On a more concerning note, Trump has threatened to ignore any invoking of Article 5—the principle of collective defence—by NATO allies who do not meet the minimum spending on defence. Canada spends less than half of the minimum.

On trade, Trump has expressed a desire to renegotiate NAFTA. If Canada or Mexico object, he could withdraw from the deal entirely—closing off the lucrative American market. That means that Brian Mulroney's 1987 free trade agreement with the United States goes back into effect, but Trump may want to renegotiate that, too.

The dealmaker-in-chief will not be content to let the status quo in trade continue, and he won't stop at NAFTA. Leaked transition documents show that he's taking aim at Canada's softwood lumber and beef industries, through country-of-origin labelling.

On taxes, Trump touts an aggressive plan to attract investment that could put Canadian business in peril. His tax plan features tax cuts across the board, with the hope that individuals and businesses will have more money to invest. Personal taxes would be simplified to three brackets, while corporate taxes would be reduced to 15 per cent from 35 per cent.

RBC Capital Markets reports that the move will boost the American economy, which would be positive for Canada. However, those moves would make Canada's Harper-level corporate taxes less competitive and make a southward brain-drain more likely.

“**Trudeau was an enthusiastic signatory of the Paris agreement, and if Trump follows through, the prime minister will face a choice between keeping his word or making adjustments to guarantee Canadian competitiveness.**”

And finally, Trump would put global climate agreements in jeopardy. He has declared that he doesn't believe in the science of climate change. He has said he intends to withdraw from the Paris Agreement on climate change, end carbon emission limits on American power plants, and deregulate coal, natural gas and offshore oil drilling. Trudeau was an enthusiastic signatory of the Paris agreement, and if Trump follows through, the prime minister will face a choice between keeping his word or making adjustments to guarantee Canadian competitiveness.

American energy independence is a core tenet of Trump's philosophy,

and he will try to reduce reliance on oil from countries he views as antithetical to the American experience. On the bright side for Canada, he has voiced support for the Keystone XL pipeline.

Earlier this year, *The Economist* listed the possible election of Donald Trump as one of the top 10 risks facing the world. He was rated as posing a greater risk than Britain leaving the European Union, or an armed clash in the South China Sea.

Trump's election to the Oval Office is a sign that choppy waters are straight ahead. Canada, like the rest of the world, has no choice but to sail right through.

John F. Kennedy, commenting on the relationship between the U.S. and Canada in his address to Parliament in 1961, famously said: "Geography has made us neighbours. History has made us friends. Economics has made us partners and necessity has made us allies." Words now graven in stone in the lobby of the U.S. Embassy in Ottawa.

Less than a decade after JFK uttered those words, Prime Minister Pierre Trudeau had to deal with an American president who was overtly hostile to the Canadian government.

In the peculiar way history repeats itself, Pierre's son will soon have to deal with a potentially hostile White House. **P**

Conservative strategist Jaime Watt is a member of CBC's popular Insiders panel on The National, and executive chairman of Navigator Ltd.
jwatt@navltd.com