WHAT TRUMP 2.0 WOULD MEAN FOR CANADA

Frédérick Gagnon / Full Professor of Political Science, Université du Québec à Montréal

July 2024
ABOUT THE AUTHOR

Frédérick Gagnon / Full Professor of Political Science,
Université du Québec à Montréal

Frédérick Gagnon is Professor of Political Science, Holder of the Raoul Dan- 
durand Chair in Strategic and Diplomatic Studies, and Director of the Center for 
United States Studies at Université du Québec à Montréal.

PRESENTATION OF THE POLITICAL AND GEOSTRATEGIC OBSERVATORY 
OF THE UNITED STATES

Under the direction of Romuald Sciora, Associate Research Fellow at IRIS, 
the IRIS Political and Geostrategic Observatory of the United States aims 
to shed light on the presidential and legislative elections of 2024 and on 
developments in the contemporary United States, in particular their impact on 
Franco-American cooperation, the European Union and the rest of the world.

It publishes analyses, co-publishes reference works, produces videos and organises 
events (conferences, round tables, symposia) in France, the United States and Canada.

The Academy of Political Science, founded by Columbia University in 
New York, the Columbia-SIPA Urban and Social Policy Program and the Raoul-
Dandurand Chair in Strategic and Diplomatic Studies at the Université du Québec 
à Montréal, are the Observatoire’s main academic partners.

iris-france.org

@InstitutIRIS
@InstitutIRIS
institut_iris
IRIS
IRIS - Institut de relations internationales et stratégiques
While polls have shown for months that Donald Trump is the favorite to win the White House on November 5, Joe Biden is in even more trouble since his disastrous performance in last week’s presidential debate. Canadians have noticed, and while a majority of them would like to see Biden re-elected, the opposite scenario seems most likely at this stage. What Trump’s return to the White House would mean for Canada is not entirely clear, as the Republican often remains vague and deliberately unpredictable about what he would do in his second term. But we have some clues.

Given that the majority of Canadian exports are destined for the United States, and that the health of the Canadian economy is heavily dependent on access to the American market, Trump’s economic nationalism would remain Canada’s biggest challenge if he regained the presidency.

During his first term, Trump often claimed that trade with Canada was hurting American workers. He imposed tariffs on Canadian steel and aluminum to protect these industries in the US, denounced Canada’s trade barriers as hurting Wisconsin farmers, and demanded the renegotiation of the North American Free Trade Agreement (NAFTA) with Canada and Mexico.

These negotiations led to the signing of the new United States-Mexico-Canada Agreement (USMCA), in which Canada had to make concessions, notably by granting American farmers better access to the Canadian market. Trump may well take advantage of the moment when the US, Canada and Mexico will have the opportunity to request revisions to the agreement (date set for July 1, 2026), to try to obtain new trade concessions from Canada to the benefit of American workers.

Joe Biden has also shown economic nationalism towards Canada since January 2021, in particular when he promised to rely on “Buy America” and “Buy American” measures to reserve access to government contracts for American companies in his economic recovery projects. However, Trump’s trade policy represents a greater challenge for Canada for at least three reasons. First, he makes less of a distinction than Biden between traditional US allies

---

5 Geneviève Dufour and Pierre-Luc Morin, “Buy America and Buy American: Can Canada Expect a Deal from the Biden Administration?,” The Canadian Yearbook of International Law, 59 (2022) : 385-400.
6 Frédérick Gagnon, op. cit.
and strategic competitors. Secondly, his policies are not as predictable as Biden’s, and he can decide overnight to target a particular sector of the Canadian economy, without any real warning. Finally, he often uses the same tools to manage trade relations with allies and competitors, with trade tariffs in the forefront.

On his campaign website, for example, Trump promises to convince the US Congress to pass the Trump Reciprocal Trade Act, which would target all countries that impose tariffs on US exports and “hit them with the same exact tariff”\(^7\). Trump 2.0 could thus intensify the trade wars of his first term and launch new ones against any country when deemed necessary, including Canada.

Another peculiarity of Trump’s policy is that he doesn’t hesitate to use these same tariffs to force US allies to make concessions on issues not directly related to trade. For example, while Canada recently announced that it would be increasing its military spending over the next few years, these new budgets will not reach 2% of national GDP, in line with the commitment made by NATO member countries\(^8\). Justin Trudeau – who should be in office at least until the next Canadian election in October 2025 – could announce new military investments if Trump is re-elected, to forestall criticism from the White House. But if he doesn’t, Trump might impose tariffs on certain Canadian exports to force Ottawa into line with other NATO members\(^9\).

Trump’s promises on migration and border issues also illustrate just how decisive November 5 could be for Canada. With some 11 million undocumented migrants currently on US soil, Trump plans to “carry out the largest domestic deportation operation in American history”\(^10\). Given that undocumented migrants often come from countries where their personal safety and well-being are at stake (Honduras, Guatemala and El Salvador, for example), many may be tempted to consider Canada as the best option if Trump is re-elected, in order to escape his “deportation” policies\(^11\).

---


Canada often projects the image of a multicultural society and a welcoming country for migrants from all over the world. In recent years, however, the growing number of asylum seekers in Canada has prompted debate among Canadians about the country’s ability to offer them the services and living conditions they need, particularly in the context of the housing shortage and rising rent prices that plague many Canadian cities. If Trump’s policies generate further pressure on Canada’s immigration system, it will demonstrate once again that Canada’s future often depends in large part on the direction taken by its key ally.

IRIS is one of the main French think tanks specialising in geopolitical and strategic issues. It is the only one to have the singularity of combining a research centre and a teaching centre delivering diplomas, via its IRIS Sup’ school, a model that contributes to its national and international attractiveness. IRIS is organised around four areas of activity: research, publication, training and event organisation.