

## **John Ivison: Why Trump's new top diplomat could be bad news for Canada**

John Ivison

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“There’s no way to sugar-coat this – he’s a hawk’s hawk and he’s not sympathetic to our progressive agenda.”

That’s how one senior member of the Liberal government reacted to the news that Rex Tillerson had been ousted as U.S. Secretary of State and replaced by CIA director, Michael Pompeo.

Donald Trump’s tweet that he had replaced his top diplomat didn’t so much spread around world capitals, as detonate.

In Ottawa, the Trudeau government took some comfort from the fact that North America is regarded as a domestic file by the Trump Administration, and that the Pompeo appointment was more about re-aligning policy on North Korea, Iran and China.

“Tillerson had no influence on NAFTA and I doubt (Pompeo) will either,” said one official.

But that optimistic view is not held universally in the upper reaches of the Trudeau government.

Tillerson’s departure will be blow for Chrystia Freeland, the Global Affairs Minister, who had built a strong relationship with the former Exxon executive.

There is also a sense that the NAFTA discussions have, after eight rounds, moved out of the hands of the professional negotiators and will be decided by the president’s inner team – of which Pompeo is now decidedly a member.

The optimists in the Canadian government point to a Cato Institute study that rated Pompeo a perfect free-trader in Congress, during his time as a member of the House of Representatives from Kansas. He voted nine times out of nine to oppose trade barriers and four times out of four to oppose trade subsidies.

But on social issues too, Pompeo is a classic, right of centre hard-core Republican – a former Gulf War veteran and Harvard Law School graduate who will enable Trump’s more impulsive instincts.

Pompeo’s track record in Congress is enough to alarm anyone of a sensitive, liberal disposition.

*On virtually every issue, he is diametrically opposed to the Canadian government*

He decried Muslim leaders who fail to condemn terrorism as “potentially complicit”; said that waterboarding is not torture; worked to undermine the nuclear deal with Iran and instead suggested sending in the bombers; called for the death sentence for whistleblower, Edward Snowden; opposed regulating greenhouse gas emissions; said abortion should only be allowed to save the lives of mothers; opposed same-sex marriage, and is a life-time member of the National Rifle Association.

On virtually every issue, he is diametrically opposed to the Canadian government.

Regardless of any ideological objections, there can be few doubts in Ottawa that he will back the president’s position on steel and aluminum tariffs aimed at, in Trump’s words, “countries that treat us the worst on trade and on military.”

Trump has already linked Canada’s exemption to a satisfactory conclusion of NAFTA negotiations – and that seems to require a remedy to what he calls the “highly restrictive” treatment of America’s farmers on dairy, eggs and poultry, courtesy of Canada’s supply management system.

Given his voting record, Pompeo is unlikely to view Canadian protectionism with any degree of empathy, no matter how much the U.S. subsidizes its own farmers.

Canada may be on slightly firmer ground on military spending – the other explicit link to tariff exemptions made by Trump.

Last June, Canada said it would spend an extra \$60 billion over 20 years, taking military expenditure as a share of GDP to 1.4 per cent by 2024/25. The plan to add capability was reportedly well-received in Washington and helps explain, in part, the generally good odour in which Canada is held.

While this increase falls short of the NATO’s two per cent target, it does represent a 20 per cent increase over time and an end to absolute spending declines.

Or it would if it were enacted as promised. But the plan requires a quadrupling of capital spending over six years to \$13 billion, after years of spending not much over \$3 billion. The first year capital spending allocation has already fallen short of the \$6 billion forecast in the defence review documents and there are serious doubts about whether the National Defence department has the capacity to spend the amount allocated.

The Trudeau government has already proven it can do business with an Administration with which it disagrees profoundly on just about every issue.

But with Pompeo's promotion, that task just became much harder.

The Liberals have backed themselves into a corner by saying defence of supply management is one of their "red lines."

That may be a promise they cannot keep. It may prove that continued shelter from the storm comes at the price of liberalizing protected sectors of the economy and actually spending the money already pledged on the nation's defence.