



## Trump to impose stiff tariffs — But what about Canada?

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President Donald Trump on Thursday said the U.S. would soon impose new tariffs on imports of steel and aluminum as early as next week, a move that some analysts say will trigger a trade war.

It has been several weeks since the [U.S. Commerce Department](#) recommended that President Trump impose steep curbs on steel and aluminum imports from China and other countries ranging from global and country-specific tariffs to broad import quotas.

Imposition of the tariffs has added to the chaos being seen in the West Wing, with many of the president's close advisors in disagreement on the tariffs. But Trump is set to impose a 25 percent tariff on steel, and a 10 percent tariff on aluminum —both numbers higher than what was recommended by the Commerce Department.

In his meeting with steel and aluminum producers Thursday, Trump said, according to [CTV News](#), "We're going to build our steel industry back, we're going to build our aluminum industry back. We'll be signing it next week, and you'll have protection for a long time."

### **Trump's ongoing push for protectionist policies**

Just like Trump's pullout from the Paris Climate Agreement, his pullout from the Trans-Pacific Partnership (TPP) and his threats to pull out of NAFTA, his reasoning is based on protectionist policies that helped him get elected.

Trump's "America first" vision relies on replacing [multilateral trade agreements](#) — which he has long railed against but every U.S. president since Harry S. Truman has embraced — has resulted in many nations taking a wait-and-see attitude while negotiating trade deals with neighboring countries.

One less desirable impact of Trump's America First policy is that with the steel and aluminum tariffs, there could be real harm to the U.S. economy. For one, consumers will end up paying higher prices. Other countries could also retaliate to the tariffs very quickly.

[CNBC is reporting](#) that during one staff meeting at the White House, someone brought up the fact that consumers might end up paying more for goods, Trump responded by calling it "a small price to pay."

And, as noted in Digital Journal two weeks ago, European Union and Chinese officials are already considered retaliating by targeting American products with political significance.

Trump has also allegedly said, according to a person in the room who talked to CNBC, that he is against quotas, saying countries would "cheat." He also contended that exemptions for certain countries would not work. Canada is the No. 1 supplier of both steel and aluminum to the U.S., and the president's remarks are troubling.

### **The Canada connection**

Trump has received many pleas to spare our northern neighbor from the tariffs. And there is a particularly compelling reason Canada should be left out of the tariffs. The United Steelworkers union has members in both countries — it's even led by a Canadian, Leo Gerard, who is urging the administration to leave his home and native land alone, writes CTV News.

"To put Canada in the same boat as Mexico, or China, or India, or South Korea ... doesn't make sense," Gerard said in an interview.

"Canada should just be excluded -- period. We have an integrated economy. And if it gets undone, America will pay a heavy price.... In every opportunity I've had I've tried to point out to the key decision-makers that Canada is not the problem when it comes to international trade -- and to do something that would sideswipe Canada would disadvantage (the U.S.)."

In an article in Forbes, trade analyst Dan Ikenson, with the pro-trade libertarian Cato Institute, warned of what could be at stake. "Where exactly (this) leads is anyone's guess, but it is certain to be a place less stable, less predictable, and less co-operative than the place we are right now."