

David vs. Goliath: The U.S. Trade War on Canada And Who's Really Winning

University of Alberta's Canadian Foreign Policy Journal by Greg Anderson

For years, Canada and the U.S. had a sibling rivalry. Sure, we had our disputes, but at the end of the day, we worked together.

But now? It's less "friendly competition" and more "Goliath throwing a tantrum because David won't just roll over."

The U.S. is picking fights, throwing tariff punches, and blaming literally everyone but itself for its problems. And Canada? We're just standing here, taking the hits, shrugging, and quietly preparing to win the long game. Even while threats are made daily to our own sovereignty.

For anyone who forgot: **David won!**

Goliath's Temper Tantrum: The U.S. Trade War on Canada

Here's how it's playing out:

- The U.S. economy is in shambles. \$36 trillion in debt, corporate greed at an all-time high, the middle class getting squeezed out of existence.
- Rather than fix its own problems, the U.S. starts blaming its allies. Suddenly, Canada is a trade villain.
- Tariffs get thrown around like confetti. First, it's dairy. Then it's aluminum. Then it's oil. Next, it's probably going to be maple syrup because why not?
- Canada says, "Uh, we actually don't need most of what you sell us." We start buying local, strengthening our economy, and canceling travel to the U.S. Oh but now the US is stopping Canadians from entering, requiring visas from Canadians and UNLAWFULLY detaining Canadian citizens.
- The U.S. starts feeling the financial pain. American businesses that depend on Canadian consumers start screaming, but the government gaslights them into thinking it's "for their own good."

But What's the Reality About Tariffs?

Let's actually break it down since the people pushing this nonsense seem to have selective amnesia or a willful lack of awareness of facts.

☐ Trump Negotiated the "Best Trade Deal Ever" So Why The Complaints Now?

First off, the trade agreement we're operating under isn't some "ancient" bad deal screwing over the U.S. This is Trump's own handiwork: the USMCA agreement that was negotiated under his administration.

- Trump called it the "biggest, best trade deal ever" and said it would "fix" NAFTA.

- His team designed it, signed it, and sold it as a win for America.
- Now, suddenly, it's a bad deal and needs to be scrapped?

So, what is it? Was Trump lying then, or are people lying now? Pick one.

Dairy Tariffs: A Non-Issue That Gets Brought Up Anyway

Ah yes, the “big scary dairy tariffs” that people love to scream about.

Yes, Canada has dairy tariffs. But here's what they never tell you:

- ✓ The U.S. was given a quota under USMCA. American dairy producers already have a guaranteed amount they can sell to Canada without tariffs.
- ✓ The U.S. never maxes out its quota. The tariffs have never even been applied because American producers don't fill the agreed-upon volume.
- ✓ Canadians don't want American dairy. It's pumped full of growth hormones, and heavily subsidized, so the supply is artificially inflated.

So no, this isn't some great injustice. The U.S. has access to the Canadian dairy market, it just doesn't use it.

David's Strength: What Canada Actually Brings to the Table

Despite all the noise, Canada isn't just some small fry in this fight. We're integral to America's economy:

- ✂ Canada is the #1 foreign supplier of oil to the U.S. (And we sell it at a discount.)
- ✂ Aluminum? The U.S. military relies on Canadian resources to keep producing weapons.
- ✂ Raw materials? The U.S. imports a massive amount of lumber, minerals, and essential components from Canada.

Without these? The U.S. economy grinds to a halt.

Meanwhile, what do we import from the U.S.?

- ✂ Cheap processed foods. (We can live without them.)
- ✂ Unnecessary consumer goods. (We'll buy local instead.)
- ✂ U.S. cars (which we're forced to buy in trade agreements, and we'd actually prefer other options.)

So let's get real: if the trade war escalates, who suffers?

The “Self-Reliant America” Fantasy vs. Reality

I keep hearing people say, “America should be self-sufficient! We don't need Canada!”

Okay. Let's play that out.

🚧 The problem? U.S. oil refineries CAN'T handle domestic shale oil. They are built for heavier crude which is why they rely on Canadian oil sands crude to function properly.

🚧 Switching over to refine U.S. shale would take years and hundreds of billions of dollars.

🚧 In the meantime, energy prices would skyrocket, and the U.S. would need to import even more oil from the Middle East.

So yeah, America can become "self-sufficient," but at what cost? Unless people are willing to pay double for gas, this argument is just empty rhetoric.

Oh, and let's not forget:

💡 If you remove oil from Canada's exports to the U.S., the U.S. actually has a trade surplus with Canada.

Meaning? The U.S. sells us way more "stuff" than we actually need.

And the rest of the world? They're already rejecting "Made in the USA."

✈️ Buy European, Buy Local movements are exploding.

✈️ China is reducing reliance on U.S. exports.

✈️ Even American allies are diversifying trade to avoid getting caught in the crossfire of bad U.S. policy.

When your own allies start treating you like an unpredictable liability, it's time to ask who the real problem is.

Then There's The The "America Pays for Canada's Defense" Nonsense

Oh, this one's my favorite.

🚧 The only country Canada has EVER had to defend itself from... is the U.S.

✈️ In 1813, the U.S. burned down York (now Toronto).

✈️ In 1814, we retaliated and burned down the White House.

Canada hasn't been at risk from invasion since. Meanwhile, we've been dragged into every U.S. war for over a century, not because we needed defense, but because the U.S. needed allies to prop up its war machine.

And let's not forget:

✈️ U.S. military contracts depend on Canadian resources.

✈️ Canada buys overpriced U.S. defense tech to "balance" trade.

✈ The U.S. defense industry benefits from these arrangements far more than Canada ever has.

So spare me the “we protect Canada” routine. The only thing we’ve been protected from is making our own foreign policy decisions without U.S. interference.

Canada Owns a Chunk of U.S. Debt - You’re Welcome.

America’s excuse for slapping tariffs on allies is that it has to fix its debt problem.

📌 Reality check: Canada is the 6th largest foreign holder of U.S. debt.

Yeah, you read that right.

While Americans are being told that Canada is some kind of economic enemy, Canada is literally one of the reasons America hasn’t defaulted on its loans yet.

So next time someone complains that “America is getting ripped off by Canada,” maybe ask why the U.S. keeps borrowing money from us.

The Solution: 10-Point Action Plan to Actually Fix This

Instead of pointing fingers, here’s what would actually work:

1. Stop the blame game.

Blaming Canada, China, Mexico, or the EU doesn’t fix the U.S. economy. Accountability does.

2. Break up corporate monopolies.

The real reason Americans are struggling? Billion-dollar companies run everything, control pricing, and pay workers nothing. Break them up.

3. Tax ultra-wealthy billionaires properly & stop corporate welfare.

America is not broke. It’s just that the ultra-rich don’t pay their fair share and corporations are given bundles of cash like they are non-profits. Fix that, and the money is there.

4. Invest in infrastructure and energy independence – the right way.

Want to stop relying on Canadian oil? Great. But it’ll take years and hundreds of billions of dollars to switch refinery capacity. Until then, be realistic.

5. Strengthen local manufacturing.

Instead of tariffing allies, invest in domestic factories and fair labor to bring jobs home without price-gouging consumers.

6. Stop artificially inflating bad industries.

The U.S. subsidizes failing industries (like dairy) while ignoring tech, green energy, and innovation. Prioritize the future, not the past.

7 Invest in education and skills training.

A strong workforce doesn't come from blaming immigrants or trade deals. It comes from giving people the skills they need to compete globally.

8 Get real about debt.

Instead of trying to tariff its way out of debt, the U.S. should cut wasteful spending (military excess, corporate handouts) and increase revenue where it actually makes sense. Cutting out National Park funding when it's PROFITABLE makes no sense.

9 Respect allies instead of pushing them away.

If the U.S. keeps picking fights with allies, don't be shocked when we take our business elsewhere.

10 Make America a place people want to support.

People aren't boycotting America because they hate it. They're doing it because the U.S. is making it impossible to be an ally.

The Bottom Line? David Always Wins.

Goliath lost the fight not because he was weak but because he underestimated the strength of his opponent.

Right now, the U.S. is flailing. It's punching allies, throwing tantrums, and refusing to deal with its own mess.

Meanwhile, Canada is adapting.

- ◆ We're building up local businesses.
- ◆ We're cutting our reliance on U.S. imports.
- ◆ We're doubling down on relationships with Europe and Asia.

And when the dust settles, guess who's going to come out stronger?

It's not the guy swinging wildly and blaming everyone else.

It's the one who stayed focused, made smart moves, and kept their eye on the real prize.

David wins!



Every time.