

## **CUSTC Meeting Minutes**

**Date:** March 14, 2025

**Time:** 12:00 PM – 1:30 PM

**Location:** Virtual Meeting

### **Agenda:**

- Presentation on Global Trade Dynamics
- Q&A/Commentary Period
- Observations from Counsellors and Post-Presentation Discussion
- CUSTC Business

### **Presentations from Jean Charest and RJ Johnston**

- Noted that the global shift from institutionalism to deglobalization and economic warfare is reshaping international relations. The US has moved from imposing sanctions on adversaries to targeting allies with unilateral tariffs. Canada's position is increasingly vulnerable as global institutions like the WTO and NATO weaken.
- Noted that there is potential to build new allies in Europe and Asia, though Europe is dealing with its own internal issues.
- Observed three US-Canada Trade Scenarios: 1) Tactical renegotiation on a sector-by-sector basis; 2) Durable tariffs and reindustrialization at the expense of allies; 3) Sovereignty challenges for Canada.
- Flagged that Canada can help the US with both energy abundance and energy dominance – this is a key source of leverage.
- Highlighted the shift toward nationalism and protectionism, with the US prioritizing strength over democratic ideals.
- Emphasized Canada's strengths in natural resources, AI, life sciences, and education – and the need for strategic alliances and soft power to navigate this new global order.

### **Observations from Counsellors and Post-Presentation Discussion**

- The US's cultural and economic shift toward protectionism is evident.
- Renegotiating CUSMA under current conditions is risky for Canada.
- Strengthening coordination with Mexico and US allies is vital.
- Canada's high household debt will impact future negotiations and actions.

### **Updates from Washington**

- Pro-tariff voices are dominant, but anti-tariff sentiment is growing.
- Strategic engagement with American counterparts is yielding cautious support.
- Mexico may adopt a rotational retaliatory tariff strategy.
- American decision-makers respond more to domestic voices.

**Meeting Adjourned: 1:30 PM**