

CIA/CR /77-14656-M

**MICROFILMED**Gerald Keith BOUEY

CANADA

(b)(1)  
(b)(3)Governor, Bank of Canada  
(since February 1973)Addressed as:  
Mr. Bouey

An economist with almost 30 years of service with the Bank of Canada, Gerald Bouey is serving a seven-year term as governor of the bank and president of the Industrial Development Bank. He is responsible for overseeing the regulation of credit and currency and for advising the government on financial and economic policy issues.

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[redacted] The government strongly supports international financing arrangements for countries with balance of payments problems and will probably continue to contribute to general financing agreements. Bouey may seek provisions that would require recipient nations to make efforts to reduce spending and curb inflation. He and the government of Prime Minister Pierre Trudeau also believe that capital account positions, as well as the current account, should be used in determining the need for financial support, which should be given only after other financing sources have been exhausted.

As far as the IBRD is concerned, Canada feels a close kinship with developing nations and sees itself as their natural model and leader and has contributed a great deal of money to international aid and development funds. Bouey would not want to sacrifice his country's bilateral aid programs for multilateral ones.

**MICRO  
ONLY**Views on Domestic Financial Policy

A fiscal conservative, Bouey believes that Canada must control inflation in order to achieve sustained economic growth. He sees most of Canada's

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problems (unemployment, sluggish growth and current account deficits) as rooted primarily in inflation. He opposes creating employment by overstimulating the economy; in his opinion, expansionary monetary policies would only generate higher inflation. Instead, Bouey favors gradually lowering the rate of growth of the money supply and continuing the current wage and price controls until Canadian goods are again cost-competitive with US goods. He has made a determined effort to moderate and steady the growth of the money supply.

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(b)(3)Personal Data

Bouey received a B.A. degree with honors in economics (1948) from Queen's University in Kingston, Ontario. He belongs to the Canadian Economic Association. His interests include golf and curling. Bouey, 57, is married to the former Anne Margaret Ferguson and has a son, Robert, and a daughter, Kathryn.

Career Highlights

1936-41	Ledgerkeeper and teller, Royal Bank of Canada
1941-45	Service overseas with Royal Canadian Air Force
1948-date	Employee, Bank of Canada
1948-52	Employee, Research Department
1953-56	Assistant chief, Research Department
1956-62	Deputy chief, Research Department
1962-65	Chief, Research Department
1965-69	Adviser to Board of Governors
1969-71	Deputy governor
1972-73	Senior deputy governor
1973-date	Governor

9 September 1977

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