

(b)(1)
(b)(3)Gerald Keith BOUEY

CANADA

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

An economist who has spent more than 30 years with the Bank of Canada, Gerald Bouey began his second seven-year term as governor of the bank in February 1980. He is responsible for overseeing the regulation of credit and currency and for advising the government on financial and economic policy issues. Bouey commands great respect in the financial community. He handles parliamentary hearings with considerable skill and tact. He has said that his job is to keep the bank out of politics, and he has made it clear that he would resign if the government were to overrule him on important monetary policy. [redacted]

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A fiscal conservative, Bouey has said that Canada must control inflation in order to achieve sustained economic growth. He sees most of Canada's problems (unemployment, sluggish growth and current account deficits) as rooted primarily in inflation. Bouey opposes creating employment by overstimulating the economy; in his opinion, expansionary monetary policies would only generate higher inflation. Instead, he favors gradually lowering the rate of growth of the money supply. Criticized for raising interest rates, Bouey has said that high rates are necessary to fight inflation, defend the Canadian dollar and finance the current account deficit. [redacted]

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Bouey belongs to the Canadian Economic Association and is a member of the board of directors of the Federal Business Development Bank. He is also a director of the Export Development Corporation and the Canada Deposit Insurance Corporation. Self-effacing almost to a fault, Bouey does not court publicity. His interests include golf and cross-country skiing. Bouey, 60, is married and has a son and a daughter. [redacted]

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