Author pulls no punches

by Tom Baker

Gonick, Cy. Inflation and Wage Controls, A Canadian Dimension Publication, \$1.95, February 1976, 145 pages.

Cy Gonick's recently published book is an easy to read and valuable resource source for anyone who wants to understand the background to the wage controls. The author being a selfconfessed leftist economist, pulls no punches in his critique of Trudeau's approach to the current economic crisis.

Gonick takes on the task of analyzing the mysterious, elusive phenomenon of inflation. He argues that the inflationary spiral, a distinct feature of the past few years, is a product of three decades of faithful applicaModern capitalist governments try to cushion the economic recessions of the business cycle by deficit financing of government expenditures and encouraging money expansion and credit. This tends to hyperinflate the economy.

In an extended section of the book, Gonick documents the monopolization of capital that has taken place. In Canada, apparently, 200 giant corporations virtually control the entire economy. Even amongst these few corporations, interlocking directorships are rampant. The multinational character of these oligopolies, he maintains, makes it almost impossible for national governments to regulate their economies. Now the business cycle is one single

tion of Keynesian economics. international cycle. All capitalist economies tend to go into recessions at the same time.

> Because of the monopoly control of the economy, prices tend to rise regardless of the stage of the business cycle. This is necessary for the corporations. Even when demand is low and an excess of products exists, prices still increase so that profits can be maintained.

> Due to the vital role of these corporations to the capitalist economy, governments feel obliged to protect that at all costs. They will offer forgiveable loans, purchase products at inflated prices and even institute wage controls in order to save their corporate friends.

> While seeking monopoly control as the main cause of inflation, Gonick also discussed other elements of the economic crisis which he describes as 'stagflation.' The relative economic and military weakening of the United States vis a vis Western Europe and Japan is seen as a destabilizing factor for the international economy. In a briefer fashion he describes the effects of the so called oil crisis and the food crisis. One chapter provides an interesting sociological analysis of the changing character of the workers' movement. A new military and political attitude is appearing, which is a big factor for those who control the economy.

This book details the past 5 years in Canada. The inflationary outbursts of 1973-74 came at a time that most workers were locked into 2 or 3 year contracts. In late 1974 and early 1975 these contracts expired, and labour launched a vigorous catchup campaign to compensate for past losses. From 1971-1974 corporate profits increased by 111%, while wages and salaries increased by only 25%. In 1975 the labour movement was not able to even catchup to its 1971 share of the national income. In fall 1975, as the large public workers contracts became due, Trudeau panicked. In order to maintain profits of the past period an economic emergency was

The wage control program

enjoyed for over 125 years.

its job. Gonick displays some almost unbelievable statistics showing the enormous increase of corporate profits. While the price of food (which the AIB does not control) has temporarily stabilized, all other prices are soaring at almost the same rate as before. Unemployment is greater - 34 million out of work. Any downturn in the rate of inflation is a result of the international economic crisis which has belatedly hit Canada; and not any efforts of the AIB.

The author analyzes the concurrent cutbacks in social services like education, health, unemployment

allowances. He maintains the the government has initiated the in order to save money that c be diverted into its real prioriti like Syncrude, Mackenzie Valle pipeline, Mirabel airport, Jam Bay Project and of cour military expenditures.

The book closes with a c for a completely restructure economy that is not based profits, but the needs of people

While not everyone will able to agree with every id presented in this work, it is mu reading for all who want understand what is happening



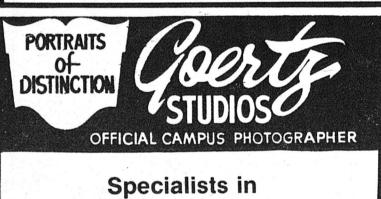
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NASA gives no support for protest

Oct. 14 will not be a day of protest for the 2600 members of the Non-Academic Staff Association (NASA) according to association president, Mr. Horace Easy.

Union members and all those dissatisfied with wage and price controls are being urged to join a one-day national strike on October 14. U of A's SU Executive decided not to support the day of protest because of the 'Questionable legality" and the "detrimental effect on the Canadian economy.

'I think for the atmosphere of this university that I agree that they (SU Executive) are right," commented Mr. Easy "and I also think that the radical people from the outside impress people mo than they should."

NASA members may join the day of protest "according conscience" said Easy but t association cannot protect the members in the event of subs quent dismissal. "We've left the up to their own conscience it's not a grievable item. We ha a contract and we'll live up to

"Personally," stated Easy, think the strike is too late. I do think it will do anything."

Easy did not expect ma members to actually walk off job on Oct. 14. "Maybe to maybe three, that's all. I do anticipate 1 per cent. I don't thi one per cent will participate in

Student support McMaster says yes

The Student Representative Assembly (SRA) of the McMaster Students' Union voted by a wide margin to support the CLC day of protest against wage and price controls, at its meeting last Mon-

The final vote was sixteen to four, with four abstentions, to approve the OFS and NUS recommendation that students take part in the October 14 protest.

Executive Committee member Peter Hutton called for McMaster's participation in the protest to be coordinated through the National Student Day Committee, a body recently set up to organize activities for the Students Day due November the regulations of the Gover 9. Hutton asked that activities on

campus be used as the for point of discussion on the Day Protest.

Some SRA members void concern that approval of the D of Protest amounted to approof the policies of certain feder and provincial political partie and that participation in protest implied support of actions taken by the sponsori Canadian Labour Congress.

However, MSU Preside and OFS Executive member, P Moore, spoke in favour of the motion, pointing out reports th the Anti-Inflation program h failed and has in fact deceived! Canadian people. He also sa that students are directly affect and are among the worst hit

Now that's Southern Comfort.



THURS. & FRI.

OCT. 14, 15



SAT. & SUN. OCT. 16, 17



SUB THEATRE

SHOWINGS 7 PM/ 9:30 PM

DOUBLE FEATURES 7 PM