

The energy crisis, by Jim Laxer

**LAST
POST**

THE LAST POST
Vol. 3, No. 2

March 1973
Price 50 cents

**LAST
POST**

Brascan Ltd. and Brazil:

**the Liberal Party,
and a little
matter of
\$26.5 million...**



SHARP OF THE LIGHT BRIGADE

WE MADE THEM
AN OFFER THEY
COULDN'T REFUSE!



AISLIN '73

LAST POST

THE LAST POST VOL. 3 No. 2

CONTENTS

To our readers	4
The Month	5
Ottawa tightrope	
Vietnam cease fire	
Last Psst	16
Tuning up the energy crisis	18
by James Laxer	
Hear! Hear! The game of parliamentary pitfalls	25
Brascan, Brazil and the Liberal Party	28
by Project Brazil and Last Post staff	
Barrett: Where's the hurry?	40
by Dennis Forkin	
Reviews	42
Letters	49
The Last Page	50

The Last Post is produced by an editorial board.

Production this issue: Nick Auf der Maur, Drummond Burgess, Robert Chodos, David Crandall, Dennis Forkin, Alan Guettel, Eric Hamovitch, Magnus Isacson, Randy Jones, Richard Liskeard, David Lloyd, Patrick MacFadden, Brian McKenna, Terry Mosher, Rae Murphy, Carole Orr, Malcolm Reid, Gail Scott, Ralph Surette.

Address all editorial and business enquiries to the Last Post, 430 King Street West, Room 101, Toronto 135, Ontario; phone (416) 366-1134. In Montreal: 151 St. Paul Street West, 3rd floor, Montreal, Quebec. Phone: (514) 288-6060. In Ottawa: P.O. Box 2124, Station D, Ottawa, Ontario.

The Last Post is published by the Canadian Journalism Foundation, Inc., a non-profit corporation, 430 King Street West, Room 101, Toronto 135, Ontario. Secretary-Treasurer: John Dufort.

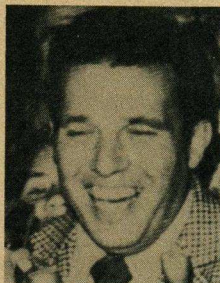
Typeset by Foundation Press, Ltd., 430 King Street West, Room 101, Toronto 135, Ontario. Printed by Les Editions du Richelieu, 100, rue Bouthillier, St. Jean, Quebec. Contents Copyright 1972. Second Class mailing registration No. 2315. Postage paid at Montreal.



Brascan and Brazil
page 28



Energy crisis
page 18



Barrett's progress
page 40

ADDRESS CHANGES

Don't miss an issue of Last Post. Send us your change of address as soon as you can. It helps us, and helps you.

To Our Readers

This is an appeal for your help.

Three-and-a-half years have passed since the *Last Post* was begun to offer readers a radical and muck-raking approach to the news, an approach seldom found in the dull, conformist columns of the commercial press.

Since December 1969, the magazine has grown to become the gathering ground and outlet for several dozen writers, cartoonists and reviewers from across the country — people convinced of the need for such a magazine, and willing to show their conviction by writing or drawing for free.

Structurally, *Last Post* is healthy. We have avoided most of the obvious pitfalls. We are still together. The number of writers and friends who have joined us has extended the depth of our coverage, though we are still weak in some areas, particularly the West.

The excitement of starting this kind of magazine and the resolve to see it continue has not worn off. On the contrary, there has been a steady reinforcement from new contributors who wish to help in offering the country a radical perspective.

In all those respects, the magazine is as healthy as ever.

But financially, it's as unhealthy as ever.

We have had many qualms about making appeals such as this. We have feared that readers might interpret this as a sign the magazine is weakening, or in danger of folding. That is not going to happen.

But certain facts have remained constant: the three full-time staffers earn very small salaries, and even these strain the payroll. The price of widening the distribution of the magazine is staggering. The strain on the full-time and part-time staff and writers grows as the magazine grows. One doesn't just write for *Last Post*; one also sticks a few hundred labels on envelopes at lunch-time, and stuffs envelopes with renewal notices after-hours.

Advertising never has brought more than a trickle of income, and for obvious reasons never will.

The \$4 subscriptions have always been our bread and butter, and that's what's kept us afloat. But now that's not enough either.

With more editorial staff we could begin, almost immediately, to publish an issue every four weeks. But, at the moment, we can't afford the printing bills or the extra salaries to publish more often.

The magazine depends on you, the readers.

It has no other base of support. We are not linked to any corporation, political party or group; we have no plum advertisers, no big backers.

If we have to continue to produce it as a labour of love alone, we will.

But if we, and you want to see *Last Post's* alternative approach to the public affairs of this country be made available to more people more often, it can only be as a result of your financial support. This country's news continues to be dominated by the interests and attitudes of the big corporations and the big political parties, and a steady diet of such views is unhealthy if the term "a free press" is to have any meaning. We hope you will agree that the need for a *Last Post* is as urgent as it was three-and-a-half years ago.

Much is said these days about public apathy, compared to the flowering of new ideas and new perspectives of a few years ago. We don't sense that in our readers, or in ourselves.

We are not asking for a one-shot infusion of funds — though that would help. We are asking for your continued support, in however minor a way, to make this a more strongly reader-supported and paid magazine.

If you can send us a contribution, it will be not just appreciated, but put to productive use. If you can't send us any contribution now, please remember us a month or two from now.

Any help you can give will be used to pay off some back debts, raise salaries, get more photos and cartoons, increase the staff a bit, and, most important — increase distribution and frequency.

If you can support us, please send a cheque in any amount to: The Last Post, 430 King Street West, Room 101, Toronto 135, Ontario.

We'll make it some of the best money you've ever spent.

The Last Post

Waiting for the tightrope to snap

Some critics of the government, said Arthur Blakely of the *Montreal Gazette*, were attacking the throne speech as one of the most cynical such documents in Canadian history.

"But Canadian politics," he continued with classic understatement, "has never been completely free of cynicism."

He went on to point out — incorrectly — that the Diefenbaker government had fallen in 1963 when the Liberals under Lester Pearson had supported a Social Credit motion of non-confidence based on the government's failure to adopt Socred economic theory (in fact, the fatal motion had been an omnibus attack on the government for its lack of leadership).

But if Blakely hadn't got his facts quite right, he had nevertheless hit on a wider truth. The decisions that members of parliament make to vote for or against motions before the House of Commons have very little to do with the content of those motions, and very much to do with their own survival.

It is perhaps not overly cynical to suggest that the most important fact to consider in trying to predict MPs' behaviour is that they now make \$26,000 a year.

There are few people — and MPs are, after all, people — who would not think twice before risking the loss of such a job; this may help explain why the MPs who look the least favourably on the possibility of an early election are precisely those who have the least confidence in their ability to get re-elected. It may also cast some light on the talk that has been heard out of Ottawa about the public's not wanting an early election; what that

really means is that many members of parliament don't want an early election.

New Democratic Party leader David Lewis offered another angle.

Speaking to reporters after an NDP caucus late in the afternoon of Opening Day, he acknowledged that the Progressive Conservative opposition would try to word a motion of non-confidence in such a way that the NDP would be induced to support it, and thus bring down the government of Prime Minister Pierre Elliott Trudeau.

A motion of non-confidence, he said, "is a ritual. I have no doubt that the Conservative motion of non-confidence will seek to put us on the spot.

"I take that for granted. And if we are stupid enough to be influenced by that, we will let down the people of Canada."

Lewis's position, if you stopped to think about it, could be justified on more than purely self-interested grounds. After all, if you are a New Democrat, and particularly if you are a New Democratic MP, then you believe that the presence of a large number of your party colleagues in the House is in the interests of the country. "More New Democrats" was the party slogan in the last campaign,

Nothing has happened since, or is likely to happen in the future, to convince the NDP that, in fact, it would really be better to have fewer New Democrats.

The NDP is also convinced that an early election would not be in its interests. The arguments for this proposition are considerable. It will take the party a while to recover financially from the last campaign, it does not want to be blamed for precipitating a supposedly unwanted midwinter visit to the polls, and it fears that an election now would turn into a Liberal-Tory runoff.

And so, its course is clear. If the Tories with brutal cynicism introduce a non-confidence motion that reads as if it was written by J. S. Woodsworth, the New Democrats will vote against it without feeling that they have betrayed the spirit of their sainted founding leader.

Still, it was not a position in which the NDP was particularly comfortable, and as the session opened, not all New Democrats were happy with it. Even some MPs suggested to the caucus that the party should be much tougher with the government. Sympathizers who preferred to see the NDP in its traditional role of conscience of parliament were dismayed to see it in alliance, real or

PICKY, PICKY

8 Tuesday, January 23, 1973 The Ottawa Journal

Bright outlook for economy except for inflation, jobless

The lively ghost of French power

It would not have been surprising if, in the aftermath of the most racially divisive vote since the Second World War conscription referendum, the Trudeau government had chosen to downplay questions involving relations between French and English Canada.

And in the interlude between election day and the opening of the new session, that was precisely what the government seemed to be trying to do. In the November cabinet shuffle, while Quebec's overall representation was not reduced, several French-speaking ministers were switched to less sensitive portfolios: Jean Marchand from regional economic expansion to transport, Gérard Pelletier from secretary of state to communications, Jean-Pierre Goyer from solicitor-general to supply and services.

Then on December 14 the government announced its new guidelines on bilingualism in the civil service, effectively setting back the target date for implementation of its policy at least three years.

The civil service unions were happy but many Quebecers were not; the Montreal daily *Le Devoir* said the new guarantees "go well beyond what equity to unilingual English-speaking civil servants requires." Even *The Financial Post*, the Toronto-based, Maclean-Hunter-owned business weekly, agreed with *Le Devoir*, adding that "for each unilingual, English-speaking civil servant's career that is protected, the career of a French-speaking unilingual or bilingual civil servant has been compromised or slowed down."

But with an election possible at any time, the government had more important things to worry about. If they were to stay in power, the Liberals needed more English-Canadian votes. It was no time for them to leave themselves open to the accusation of being too kind to Quebec; Quebec would stay Liberal anyway because it had nowhere else to go. The era of 'French power' in Ottawa was over.

Or so it seemed.

The first signs that the death-knell for French power had been premature came in the speech from the throne. One paragraph said that parliament would be asked to "confirm the basic principles of the government's program for bilingualism in the public service."

Now this was not necessary. The last parliament had confirmed the basic principles by passing the Official Languages Act. The program was going ahead (even if a bit more slowly than before the December 14 guidelines). What was the point of asking parliament to confirm it again? Why rub it in? Was it possible that the government was not planning to downplay bilingualism at all, but would in fact force the issue?

Even more puzzling was Prime Minister Trudeau's intervention in the throne speech debate five days later.

It was, observers agreed, not one of the PM's better performances, and this perhaps led to some of the confusion. Trudeau spoke quietly, apparently unsure of himself, clutching the desk behind him, often adopting the whining tone he sometimes falls into. Claude Lemelin of *Le Devoir* — who found himself in agreement

with much of what Trudeau said — called the speech "interminable and extraordinarily flat."

But there was no mistaking Trudeau's message. He began by quoting an editorial in the *Vancouver Sun* (a later attempt by Claude Wagner, the Conservatives' Quebec spokesman and only elected Francophone Quebec member, to argue that Trudeau's quote had been out of context was unconvincing) that suggested that the Liberals should resign because they had been "overwhelmingly repudiated by the English-speaking majority."

This editorial did not even warrant an answer, Trudeau said. "Then why raise it?" shouted a Conservative. "Honourable members want to know why I raised this," replied Trudeau. "I raised it because I know there are members sitting in the Conservative ranks who, during the election, tried to divide Canada."

Hansard reports that, at this point, some hon. members said "oh, oh" and some hon. members said "shame," and this set the tone for the rest of the afternoon. Trudeau came back to the subject of the Conservatives' anti-Quebec election campaign twice during his speech and each time a lengthy exchange of insults and accusations across the floor developed.

But there was little gusto in the Prime Minister's attack. He was repeatedly challenged to name names but failed to do so; he let Opposition Leader Stanfield at least partially off the hook but would not say which of Stanfield's colleagues he was referring to (although he could have come up with a half-dozen without thinking hard if he had wanted to); curiously, the only individual he singled out, even by implication, was Allan Blakeney, the NDP premier of Saskatchewan.

One Conservative shouted "Turner, you might as well take over!" and there was a general feeling in New Democratic ranks that Trudeau's resignation was imminent, but that was not the PM's intention at all. Afterwards, the theory was that "it was just something he had to get off his chest," but that theory ran aground four days later when Trudeau's speech was followed up by a similar performance from Jean Marchand. The new transport minister, instead of devoting his intervention in the throne speech debate to transport, launched into a defence of the government's bilingualism policy, the Liberals' celebrated French-language campaign film about French power, and DREE (which when Marchand headed it had been accused, not without some reason, of favouring Quebec) and an attack on the Conservatives and particularly Claude Wagner.

The attitude that the government's behaviour must be a product of personal pique contained elements of the racism Trudeau and Marchand were talking about, implying as it did that there could be no valid reason for their attacks. It also did not stand up to examination; it was clear that the government was engaging in a calculated political move.

But just what that political move was calculated to do was not clear at all.

R.I.C.



LEWIS AND TRUDEAU
Not a comfortable position

apparent, with the hated Liberals.

Well then, Lewis wondered, what should a conscience do? Turf the Liberals out and let the Tories come in?

It gave him an opportunity to get up in the House and deliver his best set speech, the plague-on-both-your-houses one: "There is nothing in the record of this government in four and a half years that deserves the confidence of members of the New Democratic Party. But there is nothing in the record of the Conservative Party in this country, with a majority government or a minority government, or in the record of the Leader of the Opposition while premier of Nova Scotia, that warrants our confidence."

It was a rousing bit of oratory, but it didn't indicate any changes in what the NDP was going to do. Non-confidence motions were proposed and defeated with as little fuss as they had been in the previous parliament.

But the Liberals were not without their problems.

They had to — and in the throne speech they did — go part way toward incorporating NDP policy into their own. Although the throne speech fell far short of the eleven-point program Lewis had set out just after the election, there was enough candy (to borrow the felicitous phrase that Prime Minister Trudeau introduced into the respectable political vocabulary during the last election campaign) for the NDP to keep it in line. In fact, there was lots of candy for

everyone. The throne speech represented not so much a shift to the left as an increase in sugar content.

(About the only major group left out were Canada's native peoples; when approached with this one prime ministerial aide said they were included in the section promising that the government would "encourage through its multicultural policy the development of a society in which individuals and groups can develop and express their own cultural identity.")

The government was performing a delicate balancing act, and the question was how long it could go on. The relationship between what the government puts into a throne speech and what it puts into actual legislation in the session that follows has become more and more tenuous in recent years; the Canada Development Corporation, for example, was promised in seven consecutive throne speeches before it was finally set up in 1970. The 1973 throne speech was at least phrased in more concrete language than previous ones, but the

government can — and will — renege on much of what it seemed to be promising on Opening Day.

The NDP, after all, is not the only group the Liberals have to please. If it needs the NDP to help it avoid an election, it needs its own corporate backers to have any hope of remaining in power once an election comes. And corporate support for the Liberals, on the basis of the traditional 60-40 financial split between them and the Conservatives, is by no means as automatic as it once was. The Conservatives represent not only a credible alternative, as a party that could conceivably form the government after the next election, but also an attractive one, as a party that at this point represents corporate interests at least as well as the Liberals, and probably better.

The government is walking a tightrope between the corporate money-men, who expect a fair return on their investment in the Liberal Party, and the NDP, which conducted virtually its entire campaign last fall on the issue of government largesse to corporations. It will find that that tightrope will become tighter and

tighter, and eventually it will snap.

The earliest point at which this is likely to happen is when Finance Minister John Turner introduces his budget, in mid-February or so. In particular, the government promised in the throne speech "amendments to the Income Tax Act . . . reintroducing measures announced earlier." A spokesman for the Prime Minister's Office said that, yes, this did indeed mean that the government would extend the corporate tax cut announced last June. And David Lewis said that the NDP would vote against that extension if it were introduced.

But surely the Tories, who share with the Liberals a common enthusiasm for corporate welfare, would vote for the extension? Well, maybe not; if, as Lewis said, the Tories would vote for the Communist Manifesto to defeat the government, they could surely find it in their hearts to vote against a corporate tax cut.

Then that means that the government will fall at budget-time, doesn't it? Well, maybe not. Because if the NDP still has not steeled itself for an election, then it will keep the government in power, even if it means voting for the corporate tax cut, especially if the government chooses to sweeten the package by throwing the tax cut in with some other measures that the NDP would be hard put to oppose. We don't like the tax cut, Lewis will say, but we feel that the budget as a whole contains enough positive measures that . . .

Then does that mean that the government could stay in power indefinitely? Well, maybe not. But if there is an early election it will as likely as not be by decision not of the NDP, not of the Tories, but of the Liberals themselves.

The Liberals, after all, have little to gain by allowing the bushy-tailed, out-for-blood Tories time to build up their war chest. They might as well get off the tightrope as soon as they can; in a situation as delicate as the one they are in they have reason to suspect that the longer they wait, the worse it will be.

Many people, Liberals among them, noted that the throne speech sounded suspiciously like the election platform the party didn't have, and could have used, last fall. It is not likely that that was unplanned. In a briefing on the throne speech, a top PMO official, tying together the promised rash of federal-provincial conferences, the decentralization of the department of regional economic expansion and what has since become known as the Liberals' discovery of the west, said that the government's

plan was to "take every region of Canada in a new national policy toward its full potential."

It sounded very like a theme for an election campaign. And 'a new national policy' sounded very like an election slogan. The old one worked for Sir John A. back in 1878 and besides, it has a better ring than 'The Land is Strong'. In the age of the new nationalism, a new national policy should be just the thing.

If the Liberals were planning for an early election, it made the NDP's attempts to avoid one rather pointless.

There was, for the NDP, a sad irony in the situation. For years the NDP has held the realistic ambition (as opposed to its Walter Mitty reveries of being the government or the opposition) of one day holding the balance of power. Ah, if only we held the balance of power, what we could do then. We'll turn parliament upside down. We'll be able to write the government's agenda. We'll show people what the NDP can do.

Now, finally, the NDP does hold the balance of power, but it hasn't worked out quite the way it was supposed to. It is still the Liberals who are writing the agenda. The NDP has no more power than it did when it was just a plain ordinary third party, and far less freedom of action. If it supports the government, it is accused of being opportunist; if it opposes the government, it is accused of being irresponsible. Instead of showing people what the NDP can do in parliament, the current situation is showing the NDP what it can't do.

It is not an enviable position.

One New Democratic MP said only half-jokingly to a reporter after the caucus at which the party decided to support the government, "It is a far far worse thing we did today than we have ever

done." The reporter asked him to consider the following scenario: "The unemployment figures come out next month and there's 7.9 per cent unemployment. Stanfield gets up in the House and says the unemployment situation is 'shocking.' He moves a motion of non-confidence in the government on the grounds that they've mismanaged the economy. How do you avoid supporting that?"

"Well," said the MP, "we'll find something."

Robert Chodos

Mad dogs and MPs

The question of capital punishment is one that directly affects only a few Canadians.

Not even the most ardent retentionists or abolitionists would argue that the number of lives at stake, be they those of murderers or victims, is very large. After all, no one has been hanged in Canada for more than ten years, and for half of that period capital punishment was still on the law books. And the figures on whether the death penalty acts as a deterrent or not are, at best, inconclusive.

It is a question about which it should, in a world of Vietnams, Biafras and Bangladeshes, be hard to get terribly upset.

But people *do* get terribly upset about it. And it is that very emotional fervour that makes the recent capital punishment

PROMISES, PROMISES

Interviewer: Peter Newman recently charged in a *Maclean's* article that your biggest problem is that you're isolated from the Canadian public and you're isolated by the advisers you've chosen who very carefully surround and protect you, that it's not so much your problem or your fault that you didn't understand the realities of the Canadian election in October. Do you see your advisers as a deterrent in this respect?

Prime Minister Trudeau: Yeah, yeah. I think if only I had listened to Peter Newman more I think things would have been much better.

Interviewer: Well, you see, the problem is your advisers didn't let you read *Maclean's*.

Trudeau: I know. I know and I must try and make a point of from now on doing more of what *Maclean's* suggests.

— interview on the CTV Network, January 1, 1973.

debate perhaps a more accurate measure of the prevailing political winds in the House of Commons than, say, the high sentiments agreed to by all members of that body in condemning the pre-cessfire American saturation bombing of North Vietnam.

The following are some of the arguments advanced by members of parliament for the retention of capital punishment:

**Ian Arrol
(PC — York East)**

This is a strange age in which we live. The *doers* of society — those who pay their taxes and do their jobs, those who are members of ratepayers associations, those who collect for the Heart Fund and the Cancer Society, those who work in church groups, those who are active in service clubs, those who personally help those in need . . . they are sometimes held up to derision and ridicule, while the whiners and the social delinquents are presented as the pure gems of society.

The lost, the social orphans, the "nuts" and "fruits" of society — at least as generally depicted by the movies, newspapers, magazines, radio and TV — have become the heroes!!

The more someone spits on society, the more society coddles him. Someone is lazy? We are to blame, of course. Someone is a thief? Society's fault. The man of the house spends all his money on booze? Shame on society for driving him to drink. Someone is a rapist and a murderer? Why, society allowed the terrible environment which produced him.

It's got so now that a person who defecates on the floor blames society for not cleaning it up. And, sure enough, such characters will be hailed as heroes of the common people in some feature article in the daily press, or in some documentary on the CBC.

The indolent, the far-out, the emotional blackmailers are pampered by sociologists, psychologists, psychiatrists, many of them as mad as the people they serve . . .

The fact of the matter is, and it is the basic assumption to which I adhere in these remarks on the need for the re-institution of Capital Punishment, is that there are incorrigibles in society.

And if someone whose life has been one of violent, aggressive, anti-social activity, and whose career in crime culminates in the murder of an innocent person in society, that social misfit

ACHTUNG
Phone 563371 144 Pins

—12-year battle ends—

Court okays bank support for city SS

—Ottawa Journal, December
23, 1972.

should be done away with, indeed for his own benefit as well as that of the society he has rejected.

**Eldon Woolliams
(PC — Calgary North)**

When we talk about capital punishment being a deterrent I will end with these words, and maybe this is the answer:

There is a rock in a harbour, and upon it a lighthouse is placed to warn ships of the danger. One hears about the ships that run upon the rock in the fog, or during the storm, but one never hears of the ships that passed by in safety.

That is an argument in favour of the deterrent.

**Ross Whicher
(L — Bruce)**

It is interesting to note that practically all guards and practically all policemen are for capital punishment. Policemen are not fools, they are not pigs and they are not fuzz. They are men and women who are average Canadians like those of us here, who have accepted the dangerous job of making life for all citizens a better and a safer one. But, Mr. Speaker, many criminals are laughing at the police today. They scorn them and, as a matter of fact, in many instances society takes the side of the criminal and not the police. Deny it if you wish, but it is a fact.

May I ask you, Mr. Speaker, why a policeman should risk his life against an armed criminal who may kill him and then get out of jail in eight or ten years? Why should a guard in a penitentiary face men known as lifers who have nothing to lose? They are supposedly incarcerated for life, and if they kill one guard or ten they cannot be punished more than now.

A dog is supposed to be man's best friend, and yet there are some dogs that

become mad and must be destroyed. Unfortunately, we have some men who become mad also and they, too, must be destroyed for the sake of society.

Discovering our neighbours to the south

Canadian newspapers have often justly been accused of presenting us a view of the outside world as seen through foreign eyes.

SAIGON — AP, read datelines in Canadian newspapers. WASHINGTON — AP, TEL-AVIV — AP, MOSCOW — AP. With seeming ubiquity, the men and women of the Associated Press convey to us the great happenings of the world as seen through their, American, eyes.

Sometimes, for a little variety, editors may throw in something datelined NEW YORK — UPI or LAGOS — Reuter. (French-Canadian newspapers rely heavily on Agence France-Presse. AFP dispatches come in French and, unlike AP, don't require translation).

This is not to suggest that we haven't foreign correspondents of our own. After all, what self-respecting big-city daily, press agency or television chain does not have bureaus in Washington and at least one European capital, be it London, Paris or Moscow? The Toronto *Globe and Mail* even has a correspondent in a place as exotic as Peking.

Alas, there remain gaps, such as Latin America, Africa and most of Asia. Not areas in which Canadians have a great deal of interest, say the media people who decide what is and is not of interest to us. Besides which, the foreign news agencies keep us in touch.

One day, the department of industry, trade and commerce discovered they were neglecting an area of the world where Canadian capitalists were making lots of money and could be making lots more. Latin America was in turn brought to the attention of the external affairs department, and Mitchell Sharp, in his papers on Canadian foreign policy, decided Canadians should take more interest in the countries to the south of the Rio Grande.



LYNCH
'We have interests to protect'

"To help make Latin America better known in Canada," stated Mr. Sharp's policy paper, "every possible assistance will be afforded to Canadian press or media representatives wishing to visit Latin America. Any disposition on the part of the press or media to establish a bureau in Latin America will be welcomed."

Shortly afterward Southam News Services closed their Latin American bureau. Events down there just weren't selling newspapers in Canada.

Perhaps it is all for the best. After all, is there really such a thing as a distinctively Canadian outlook on, say, the situation of Brazilian industrial workers?

General Motors, Standard Oil and IT&T are in Brazil to make money. So are Brascan, Alcan and Massey-Ferguson. American leftists support peasant uprisings and proletarian revolutions in South America just as ardently, and just as impotently, as Canadian leftists.

But some divergences do creep in. Americans, perhaps because of their greater geographical proximity, have tended to regard Latin America as their back yard since the time of the declaration of the Monroe Doctrine. Most Canadians have not yet achieved this degree of familiarity.

Most but not all. Charles Lynch, chief of Southam News Services, a figure well known to the readers of Southam newspapers and the viewers of television public affairs programs, lived in Brazil in 1946 and 1947. He has since revisited South America a number of times, most recently at the end of last year. In a series of articles spread over a 3½-week

period in December and January, he gave readers a long-awaited opportunity to see what Latin America looks like through Canadian eyes. First stop was Brazil, the land of the economic miracle.

"Fulfilment is at hand," he wrote, "in terms of what is being called Brazil's economic miracle, engineered by gung-ho technocrats working hand-in-glove with the military régime . . ."

"Brazil has had some bad press notices mixed in with the good, in the form of stories about police torture of political dissenters and threats to her indigenous Indian peoples as highways slash into the vast hinterland, followed by homesteaders and resource industries. These things bear looking into, but I am not disposed in advance to think that they cancel out all that is good and exciting about Brazil."

"As one who has long loved Brazil but has often despaired of her," he wrote in another article, "I cannot fail to applaud her new economic accomplishments and the dramatically improved standards of living for so many of her people."

The present military dictatorship, it may be remembered, seized power in 1964. Lyndon Johnson's telegram of congratulations to the new rulers arrived several hours before the coup had actually taken place — the CIA's timing was slightly off.

The generous returns Brazil offers the multinational corporations have led to floods of foreign investment, which in turn has led to floods of cars, refrigerators and television sets for some segments of Brazilian society. All is not rosy, however, even from Mr. Lynch's viewpoint.

"The problem for the Canadian visitor is to deal with a lack of freedom of expression that we would find intolerable at home, and would scorn and

lament in like-minded countries of the northern hemisphere," devotees of Southam op-ed pages read.

"Not that we scorn or lament the restrictions on dissent imposed in Communist lands like Cuba or the Soviet Union. We seem to have developed a tolerance for those, particularly when we can trade profitably with them.

"Can we, or should we, display a similar tolerance for a right-wing Brazil that we display toward our friends of the left? The question is not academic, for Canada has a great stake here already, and it is growing."

Mr. Lynch answers his own non-academic question a few lines further on.

"Brascan, with headquarters in Toronto, is the biggest private enterprise conglomerate in Brazil, and has just received a \$25-million credit from our export-credits corporation in Ottawa, to

A full report on the federal government's loan to Brascan and Canadian interests in Brazil begins on page 28.

finance new hydro-electric equipment that will be purchased from Canadian suppliers."

Yes, somehow we have learned to tolerate right-wing Brazil.

"We have interests to protect here, and interests to develop. We are highly thought of by the governors and the governed, despite the history of exploitation of the Brazilian economy by our earlier entrepreneurs."

We are so highly thought of, in fact, that "our ambassador, B. C. Steers, is accompanied by armed guards in his comings and goings from the stunning new Canadian embassy residence in Brasilia — he is one of ten foreign envoys given special protection against the threat of terrorist murder or kidnapping. The reason given is that Canada is regarded as a 'high profile' country in Brazil because the workings of Brascan, Massey Ferguson and Alcan are so visible. The terrorist threat has subsided this year, but the guards with their sub-machine guns stay with our ambassador wherever he goes."

In the other countries Lynch visited, Argentina and Chile, Canada's profile is not as high as it is in Brazil. Nevertheless, there was no lack of connections for him to draw for his Canadian readers. He took advantage of his presence

**SOME CRISIS,
SOME VERGE**

**Canada on verge
of energy crisis.
See Page 17**

—Ottawa Journal, January 16, 1973

in Argentina to comment on Canada's long-standing reluctance to join the Organization of American States (OAS), of which his host country, along with most other Latin American countries and the United States, is a member. Canada is only a permanent observer.

He noted that Canadians felt that OAS obligations in the field of collective security "might get in the way of our much-prized independence of action in pursuit of our national aims." If only it were that simple. Later, in Chile, looking out over the Pacific after a long evening of drinking, Mr. Lynch pointed out to his hosts that "this same ocean that washed the shores of a socialist Chile also kissed the beaches of a socialist British Columbia."

The previously unrecognized Barrett-Allende axis aside, Mr. Lynch had some more sober reflections on the Chilean situation. "That the Chilean economy is being wrecked seems obvious to even the most casual visitor to the country," his readers learned, "but whether it is being done deliberately by Allende is

another matter.

"The western world, and notably the United States, dares not acquiesce in the methods used by the Allende government to nationalize the American-owned copper industry here, source of 90 per cent of Chile's foreign trade."

Canada, as Mr. Lynch was quick to note, fits into this too: "Canada has a three-way stake in the situation, as a major copper producer, and a country that has large investments abroad, and huge investments at home If the Chilean formula for nationalization is accepted, what would it mean for foreign investments elsewhere in the hemisphere, or in Canada, or anywhere in the world?"

Mr. Lynch genuinely regretted not being able to be as warmly enthusiastic in his dispatches from Santiago as he was in those from Brasilia.

But then, the nature of Canada's interest in the two countries is not quite the same.

Eric Hamovitch

Quebec labour:

Bourassa's Christmas present

It was only last spring that Quebec labour shook the confidence of the Bourassa government and big business with the largest strike in Canadian history. But now the weakening of the trade union movement that followed the Common Front strike has progressed so far that the government has been able to introduce a piece of unprecedented anti-labour legislation without having to face an effective labour response.

The Confederation of National Trade Unions (CNTU) was the hardest hit after the strike's inconclusive end. It lost almost a third of its membership through the formation of the traditionalist Centrale des Syndicats Democratiques (CSD) and the breakaway of the civil servants' union, and had to begin the painful process of cutting its budget accordingly. Meanwhile, both its leadership and that of the Quebec Federation of Labour (QFL) took a rightward turn that brought them back to the more conservative good old days that preceded the *La Presse* strike in October 1971.

The government's strategy was to wait, and to help set the stage. Before 1971, CNTU-QFL rivalry had been the

rule and common action the exception, and it wasn't hard to dig up the recently-buried hatchet. A particularly vulnerable area was the construction industry, where both of the old unions as well as the CSD had clearly defined interests and goals of their own.

The QFL, which has organized the more specialized, better paid construction trades, has been dominant in the

industry and now aimed at monopolizing it at the expense of the CNTU. The CNTU has organized the less specialized workers in the smaller units and has been dominant outside Montreal; it was fighting to maintain, and, it hoped, improve its percentage. The CSD was doing its best to become established as a construction union.

The government had set up a system of job permits to try to introduce some job security into industry where there had been none, but Labour Minister Jean Cournoyer issued roughly twice as many permits as there were job opportunities, destroying the intent of the scheme and making inter-union rivalry inevitable. Moreover, the government declared a forty-day 'legal raiding period' November 3 to December 12. It also modified regulations to make it easier for the CSD to become certified as a construction union.

And the union leadership marched more or less willingly into the trap. While the QFL started its raiding campaign on the theme of one-big-union-in-construction, the CNTU set out to destroy its credibility and reputation.

Florent Audette and Michel Bourdon of the CNTU's Montreal construction unions led the smear campaign. They said all QFL construction unions are Mafia-controlled, and brought forward specifics of the links between the QFL and organized crime. The height of the campaign was a detailed report attempting to prove that the QFL and its key man in the construction sector, André (Dédé) Desjardins, control the key Construction Industry Commission through a mixture of class collaboration, patronage and nepotism.

(The Commission is a mixed government-management-labour body that is responsible for the implementation of the most important of the regulations the government has imposed on the construction sector through a long period of special laws and decrees.)

The fight soon acquired its own momentum. CNTU president Marcel Pepin and QFL president Louis Laberge, last seen proclaiming workers' solidarity against the capitalist state last spring, became involved. "Union solidarity should not be bought at any price," said Pepin on December 6, "particularly not if it would mean abandoning thousands of workers to unions led from outside the country and well-versed in intimidation measures."

While the CNTU demanded that the

FOR HANS SCHAUFL, IT WAS FATAL

It's an informative book, full of spite and spittle; serious for those who care to listen, hogwash for those who don't, fatal to those who restrict their reaction to banal criticism. I feel it wouldn't harm anyone to fill in on some facts, in however a biased way they may be interpreted, facts which are in their very nature tragic and only in a most ominous sense interesting.

— Hans Schaufl, *Lethbridge Herald*, November 25, 1972.

government put the Construction Industry Commission under trusteeship and order an investigation of the QFL by the commission of inquiry into organized crime, the QFL filed lawsuits totalling \$5.5 million against the CNTU.

With union solidarity at an all-time low, the government was ready to act. A strike by 8,500 Hydro workers provided the necessary excuse, and just before Christmas the government brought in Bill 89. Its professed intention was complete protection from the threat posed by strikes in essential services, and just about everything was declared an essential service.

If passed (it has still to be discussed in parliamentary commission hearings), Bill 89 will eliminate the right to strike for some 250,000 workers, not only in the public sector but also in the transport and communications sectors. To give the highest possible security to the population, such intermediaries as judges and members of the National Assembly are eliminated from the strikebreaking process and the cabinet becomes directly responsible for its implementation.

As a matter of increased efficiency, Bill 89 eliminates the traditional procedure of trying each case on its merits. It also provides for increased government interference in the internal affairs of the unions, a measure intended to 'safeguard' democracy.

The need for a renewed common front was clear, but the labour leaders had their unions' images to think about and working-class solidarity was low on the list of priorities. Laberge and QFL general secretary Fernand Daoust said that co-operation with the CNTU had now become impossible, while Pepin continued to talk about the impossibility of co-operation with the QFL. But while the leaders appealed to the loyalty of their members in the inter-union struggle protests began to be heard from further down.

At the January confederal council meeting of the CNTU, the 5,500 member Fédération Nationale des Enseignants du Québec (FNEQ), representing college and university teachers, presented a resolution criticizing the Montreal construction unions for appealing to the Liberal government and the commission of inquiry into organized crime against other unions. It demanded that the CNTU approach the QFL for a common front against Bill 89, and 'make efforts to create a common front of workers to face a government which intends to kill



LABERGE, PEPIN IN HAPPIER DAYS
Six months later, solidarity was at an all-time low

unionism in the public and private sectors."

But the FNEQ resolution was defeated. Within the QFL, the 500-member local of the Canadian Union of Public Employees representing maintenance workers at the University of Quebec in Montreal placed similar pressure on the leadership to try to recreate the common front, and with equal lack of success.

The final results of the forty-day raid-

ing period in the construction sector have not yet been tabulated, but there seems to have been some workers shifting from the QFL to the CNTU, others shifting from the CNTU to the QFL, some moving from the CSD to the old unions, some moving from the old unions to the CSD, no substantial gain in membership for any of the three groups and a very substantial setback for the trade union movement as a whole.

Magnus Isacson

Vancouver:

Capitalism with a conscience

Recent theories have suggested that Neanderthals were a dietarily deficient throwback of Cro-Magnon Man, beleaguered savages who had pressed inland away from the fresh fish that provided the chief source of Vitamin D. Diet, then, may have been the main change that occurred when Vancouver voters threw their Neanderthal civic administration out of City Hall in December and replaced it with a slate of Cro-Magnons.

The Civic Non-Partisan Association (NPA or Neanderthal Partisan Association) had dominated City Hall since 1937, most recently under Mayor Tom Campbell, and had succeeded in electing about 90 per cent of its candidates over the last third of a century. Originally formed as a Liberal-Conservative municipal coalition to keep the CCF out of

power and expanded after 1952 to include the Socreds, the NPA in recent years had become nothing more than the developers' party ramming one hare-brained scheme after another through City Council.

From its inception, the NPA adopted a consistent, if questionable, division of

AND, OF COURSE, COUNTING

The Mounted Police approach to organized law enforcement stresses six elements: training, coordination, technology and human relations.

—Ottawa Journal, January 16, 1973.

NEVER SAY DIE

Please start sending me LIFE

and bill me later at your New Subscriber Rate:
23 weekly issues for just \$3.87 (no extra charge for postage)

—from the last issue of *Life*

labour. The idea goes something like this: Vancouver's elite has little time to bother with the day-to-day activities of City Hall. But they exert influence and spend money for lesser lights in the business world in return for assurance that the priorities of big business are kept at the top of the agenda.

A brief glance at the 1972 edition of the NPA executive tells the tale: Cyrus McLean (former head of B.C. Telephone, director of the Bank of Nova Scotia, member of the National Trust Advisory Board), Gerald Hobbs, Vancouver's fastest rising power figure (director of Straits Towing, director of Inland Natural Gas, director of the Bank of Nova Scotia, director of Pacific Press), Ralph T. Baker, on whom the *Vancouver Sun* has bestowed the dubious mantle of "Chief Defender of the Right-Wing in B.C.," A.T.R. Campbell (no relation to the recent mayor), and William Street, about whom more later.

And the NPA members on City Council reflected the executive's views if not its power. James Lorimer's *Citizen's Guide to City Politics* shows that out of 26 votes in the past term, Mayor Campbell voted 16 to 0 in favour of business developers (His Worship was — er — away a lot); NPA's Halford Wilson voted similarly 22 out of 24 times; NPA's Ed Sweeney, 21 out of 24 times; and so on into the night. By comparison, Harry Rankin of the Committee of Progressive Electors (COPE) voted against the same development deals 24 out of 25 times.

In fact, for a group that has always claimed to have no set policy (it is Non-Partisan, you see), the NPA has exhibited a remarkable set response to issues. Mind you, no candidate for office is held to any policy; he is merely "screened" by a secret committee. And each "screened" candidate is still free, you understand, it's just that the nominating meetings include not only the NPA members, but also special votes from the Canadian Manufacturers Asso-

ciation, the Vancouver Board of Trade, the Junior Chamber of Commerce and other such struggling community organizations.

But in the air-conditioned environs of the University of British Columbia Faculty Club, a worm of opposition began to develop. Prestigious academics wondered if Vancouver would inevitably go the way of the great cities: the concrete desert of Los Angeles, the stone-and-glass canyons of New York, the contamination and feculence of Tokyo. In 1968 they formed The Electors' Action Movement (TEAM), a vehicle that would be free not of the business elite, just of the myopic business elite. It was a catchy idea.

TEAM's heavies during those halcyon days were urban professionals from town planners to architects to geographers but they knew where to cultivate their allies. Many were businessmen of a new breed, more likely to be consultants than speculators; typical of the breed was Art Phillips, an investment analyst with ties to the Liberal Party. Some New Democrats were among the first group as well, and



COPE'S RANKIN
Still the only homo sapiens

there was even a labour contingent of people like Liberal Senator Ed Lawson of the Teamsters. All of them took heed of the urban crisis, girt up their loins and rushed into battle, occupying the increasingly vacant centre. Capitalism with a conscience, salvation through social planning, free enterprise without uricide, and stuff like that.

The 1968 elections boosted two of TEAM's Cro-Magnons onto City Council where they soon persuaded a Neanderthal with Darwinian sympathies to join them. The Voyage of the Beagle was underway. Unaccustomed to debate, the Neanderthals were repeatedly bested by their évolué adversaries who used big words and hung around the university.

Yet TEAM's public reputation as a reform group was more a matter of clever public relations than of real substance. Compared to the NPA which had become the developers' lobby, TEAM's attitude of "maybe yes, maybe no — let's look at the fine print" was a decided improvement. So was its rather vague support for introducing at least a partial ward system into Vancouver's chaotic system of government. But in practice its aldermen voted against only the most garish of the skyscraping nightmare designs of the developers. And its stance was a free-enterprise one that would leave City Hall as much at the disposal of the developers as before.

Harry Rankin, a homo sapiens who had somehow slipped onto Council as an independent in 1966, represented the twentieth century and spent his time firing eloquent spitballs at his club-carrying adversaries. But COPE, formed in 1968 and largely identified with the Communist Party, never succeeded in getting anybody else elected to Council, largely because of its uneasy relations with the NDP. In 1970 the two organizations got together for long enough to run more or less in tandem, but the tacit coalition broke down before the 1972 election. Thus there were four complete slates running and the homo sapiens vote was split between two of them. But then, Vancouver's left has always been like a painting by Seurat — it shimmers but never quite coheres.

The disputes on the left were mainly concerned with the future, however, for the smart money in 1972 was on the paleolithic parties. The campaign started early with TEAM'S Alderman Art Phillips announcing his candidacy for mayor almost a year before the election. This left incumbent Mayor Campbell in somewhat of a bind for Phillips was almost

certain to trounce him, even if Rankin entered the contest and drained off the left-wing votes. In the latter case it was far from inconceivable that Campbell would end up third.

In a rare flash of troglodytic literacy, Campbell saw the handwriting on the wall and chose retirement. The Neanderthals, befuddled by all the big words the Cro-Magnons were using, committed suicide by nominating a Piltown. His name was Bill Street and he was a sort of two-way Mr. Chips. He was in charge of NPA candidate development — “educating” the organization’s nominees on the issues, and was the chief NPA bagman and distributor of campaign funds.

But of course, neither of these jobs was what William Street earned his daily bread at. He was a corporation counsel who spent almost all his time representing developers’ interests before City Council, before those selfsame aldermen he had “educated” and provided with campaign money. Neanderthal chican-

ery had reached new heights.

With all the sentient right-wing vote gathering around Phillips and a strong NDP candidate running (young community organizer Brian Campbell), Rankin was scared out of the mayoralty race. Meanwhile, new revelations surfaced about Bill Street’s past activities including his alleged contribution of campaign funds to some NPA candidates beyond what they actually spent. One NPA aldermanic candidate demanded the resignation of Street from the slate and when it was not forthcoming quit the slate himself.

Street belatedly caved in and became an independent candidate (and soon afterward withdrew entirely), and no one else could be persuaded to take on the now useless nomination. The NPA’s final hour had arrived.

On election day a snowstorm blanketed the city and provided the sombre atmosphere appropriate to the funeral expected. When the votes were counted the Neanderthals had elected only one

alderman, one school trustee and three parks commissioners, dropping from 44 to 23 per cent of the total vote. Art Phillips was elected mayor with 78 per cent of the vote and TEAM swept eight of ten aldermanic seats and the balance of the schools and parks positions, advancing its share of the vote from 34 to 46 per cent.

The left vote (NDP and COPE) increased from 18 to 26 per cent, but Harry Rankin remained its only elected representative. The NDP outdistanced Rankin’s organization, however, taking 57 per cent of the left vote, and appears in a substantially superior position for the next election, particularly if a ward system is established.

But whatever the label, the left in 1972 remained East of Eden. For the Second Adam had arrived, not less sinful but more streamlined, preaching a diet of fish but devouring in the end the same apple as before.

Evert Hoogers

Vietnam:

An agreement — but is there peace?

Jean Lacouture and Olivier Todd, who have covered the war in Vietnam for the Paris-based magazine Le Nouvel Observateur, and are among the most knowledgeable journalists on Vietnam, take different views of the January 27 ceasefire agreement. Their analyses originally appeared in the January 29 edition of Le Nouvel Observateur:

A compromise full of subtleties

In the four camps, it is being recognized that this is a compromise full of subtleties, of “voluntary ambiguities.”

What are the gains, the concessions, the perspectives for each?

The United States: It has obtained a military solution before a precise political agreement. The last American soldiers, including those disguised as civilians, will leave Vietnam within two months. By then, the last pilots imprisoned by Hanoi will have been freed. But, in the case of a resumption of the civil war, the United States reserves the

right to intervene with its planes based in Thailand.

In short, disengagement — with reservations.

The demilitarized zone will be “respected” to prevent North Vietnamese “infiltration.” Half a million American soldiers were never able to seal the border. How then are a few hundred Poles, Hungarians, Canadians and Indonesians going to be able to do it? Everything depends on the “goodwill” and “seriousness” of Hanoi, vouched for by Henry Kissinger.

Washington is giving the Saigon regime a chance to try its luck.

South Vietnam: Its luck is good militarily but weak politically. The struggle now is one for which the Provisional Revolutionary Government is better armed: it has a lot of experience, an ideology, cadres.

An adviser to Thieu said, “The Americans kept repeating to us: ‘The North Vietnamese have to breathe.’ But for subversion operations, you don’t need a lot of men. Sir Robert Thompson, an expert on guerrilla warfare, has shown that you need fifteen regular soldiers for each guerrilla. We have 1,200,000 men,

including the police. They have more than 300,000. Do the arithmetic . . . We’re wondering if, despite what Le Duc Tho and Kissinger say, there aren’t secret clauses. It’s in the logic of things and of the agreements between Nixon, Brezhnev and Chou En-lai.”

The Provisional Revolutionary Government: It did not obtain the formation of a tripartite government, but it has been recognized, *de facto* and *de jure*, by the United States. Its officers form parts of various military commissions. In the protocols, it even gains matériel which it never had — planes, helicopters. Article 4 of the protocols recognizes the presence of the PRG everywhere.

It will practise the politics of the outstretched hand toward the neutralists and the undecided. It doesn’t count on the crumbling of the Saigon army, but on the “national struggle” it will pursue. Its troops have received strict orders: no more affairs like Hue. The population must be rallied.

The chief adversary of the revolutionaries is what they call in Saigon the “Khaki Party” — the officers who occupy all the important posts. The PRG isn’t counting on an anti-Thieu putsch,

but it doesn't exclude the possibility of a popularly-based coup.

North Vietnam: In the agreements, it gets the departure of the Americans. Outside the agreements (it's not touched on in any of the texts), it gets to maintain its troops in the South. So many more soldiers and officers who will be cadres for the PRG.

It gets (chapter 1, article 1) its "fundamental rights": the independence, sovereignty, unity and territorial integrity of Vietnam. From this flows (chapter 5, article 15) reunification. Never forget that the idea of unity recurs twelve times in Ho Chi Minh's will. In the long term there will not be two Vietnams, as there are two Koreas or two Germanies.

North Vietnam has made two major concessions: Its troops won't use Laotian territory, where a ceasefire is close at hand, or Cambodian territory, where the situation is very confused. In the text of the agreement North Vietnam undertakes not to interfere in the affairs of the South. But most of its army will remain there.

One factor too many commentators neglect — the will of the South Vietnam-

ese people. In the dynamics of a ceasefire, there is a chance for them to refuse to pursue a bloody struggle no matter where the orders come from. There will probably be a lot of accounts settled, and perhaps even some massacres All — communists, neutralists, nationalists, pro- or anti-American — all know that the men in the streets and the rice fields are tired of the military struggle.

Above the suspicions and hates of the leaders, the fighters, the cadres, one can also count on the will for peace of the people.

Olivier Todd

The B-52s in the cloakroom

The night passing from Sunday to Monday when the B-52s stopped wiping out Vietnamese villages for the first time in ten years, the day of March 27 when the last American soldier will leave Vietnamese soil, these are great milestones that shouldn't be minimized. In them, the most despicable form of imperialism finds its reward.

But to go from there to talking about peace or even about a ceasefire: it's more like a change-of-fire, or maybe a lowering-of-fire. At the time of the negotiations over Algeria, President de Gaulle demanded that "the knives be left in the cloakroom" to make it possible to negotiate. This time, the B-52s are being left there, but now the time of the knives has come.

For the real problem, since 1954, since John Foster Dulles and the Pentagon decided just after the Geneva agreements to use Ngo Dinh Diem as the instrument of a strategy of dividing Vietnam while waiting for "the reconquest starting from the two deltas," has been the question of power in the South.

Who will govern in Saigon? That is why two million people — among them fifty thousand Americans — have died in the last thirteen years, and that is what the text of January 27 doesn't resolve. It limits itself to describing a knot of powers, a system of sovereignties interlocked like two combs, between whom provisional coexistence, negotiations and eventually peace have to be organized. The new partition of Vietnam is not a territorial one like that of 1954 but a partition of the provisional insti-

tutions, the minds, the hearts and the loyalties. Geneva created — provisionally — two Vietnams. Paris creates or legalizes two South Vietnams, or two projects for South Vietnam.

What makes the possibility of seeing these agreements mature into a peace extremely dubious is that the rulers in Saigon — both President Thieu and his minister Lam — are talking as if they had never read, nor even glanced at the agreements. They are heard proclaiming in effect, with the conspicuous complicity of Nixon, that there is only one government in the South, that the departure of North Vietnamese troops is a precondition to the implementation of the agreements (which makes no mention of it, indicating only that the question will be decided by the various Vietnamese parties among themselves; this formula was part of the program of the Provisional Revolutionary Government) and that repression against communists and neutralists is more urgent than ever — while the January 27 text (article 11) expressly states, as did the Geneva agreements, that no one must be prosecuted because of his ideas or his past political activities.

The Thieu regime's claim to exclusive sovereignty can clearly not be based on either history or right. Such a demand could only have been formulated by the victors over, and successors to the colonial regime: Ho Chi Minh and his companions. Moreover, both before and after the Geneva conference, the western powers (France, Britain, the United States) recognized the unity of Vietnam and made use of this fact in saying that only one diplomatic representation could be established there.

The essential attribute of sovereignty is the ability to represent one's country and negotiate in its interests. Is this the case with Thieu? If the South Vietnamese general were sovereign in his country, would it have been an American professor who negotiated the future of South Vietnam in Paris with Le Duc Tho? There could be no stranger way for Nixon to convince the world that Thieu has the right to affirm his pretensions to exclusive sovereignty than to negotiate for him.

When Thieu — and Nixon — state their intention to implement the agreements as they were signed, it will be possible to entertain a small hope of seeing a ceasefire, if not peace. But before?

Jean Lacouture

PROJECT BRAZIL

Project Brazil is committed to informing Canadians about the repressive military regime in Brazil, and the help extended to it by Canadian government and business. Its members would welcome assistance and suggestions in the research, education and political action which will be required to end Canadian support of the dictatorship.

Now available from **Project Brazil**: a slide-tape production on Brazil; pamphlets on the politics and economy of Brazil and on Brascan; suggestions for reading, research and action. Please send questions, requests and donations to:

PROJECT BRAZIL

Box 1110, Station Q,
Toronto, Ontario

LADY PSSD



by Claude Balloune

Waiting for inspiration

Some time ago, seven years according to my literary informants, the **C. D. Howe** Foundation commissioned a writer to do the official biography of Mr. Howe, the only Canadian I know of to have been described as the economic czar of Canada (in fact, he was born in the U.S.). The Foundation appears to have a lot of money. They're paying the biographer, **William Kilbourn**, a modest stipend of \$35,000 per annum to produce the opus. To date, he has yet to come up with the first draft. Mr. Kilbourn, who sits on Toronto City Council as a member of the ascendant 'reform' caucus (he calls himself a radical Tory and has ties to the Liberal Party) obviously knows the ins and outs of such commissions. He has a history of writing pseudo-pop, Readers' Digest pulp 'official' histories. Shortly after completing that monument to academic freedom, the official, commissioned history of Stelco, he was able to leave plebeian Hamilton and become Dean of Humanities at York University. See howe?

Police and politics

A much more promising history is being written by one of Quebec's most powerful and popular police officials — popular with the province's 17,000 municipal and provincial police, that is. This man plans to retire soon and release his history of the October Crisis and War Measures Act. He blames everyone, notably including Quebec Justice Minister **Jérôme Choquette** and Montreal Mayor **Jean Drapeau**, of having manipulated the entire crisis out of all proportion. He believes the calling in of the army was both ludicrous and unjustifiable and has inside details of just how and why the crisis was exaggerated.

The book should prove interesting since many Quebec policemen are having a crisis of conscience about their role in politics. Police chiefs and police union officials have been studying all sorts of "what if's" on the Quebec political spectrum. One consensus: instant and automatic loyalty to any separatist government that takes power. They promise loyalty to Quebec over Ottawa and say they would "revolt" against any attempt by any party to impose a police state.

There's been a lot of jockeying for control of Quebec police, especially the newly unified Montreal Urban Community police force. Justice Minister Choquette has won out over Mayor Drapeau, a man whom he now detests (the feeling is mutual). He told the Quebec Police Commission, which is controlled by Quebec City and which in turn controls the Montreal police: "I'm not going to give Montreal control of the unified police on the island." The poor Mayor has lost control of his city's police. His woes are immense, some would say Olympian.

Montreal officials are showing signs of increasing concern over the Mayor's health and nervous state. According to a close associate, he is now troubled continually by near-crippling migraine headaches which have left him more than ever inclined to aloofness and blistering irritation with co-workers. Montreal officials can be compared to **de Gaulle's** coterie in the General's last and declining year: ambition by some to replace him; fear by most that Drapeau's possible abdication before the 1974 elections will leave his Civic Party a demoralized wreck. There's no successor in sight.

Beer and the working class

The drinks were so expensive at the Ontario New Democratic Party's convention party in December that many delegates danced. Others picketed the bar at the plush Four Seasons-Sheraton Hotel that was set up to quench the delegates' thirst. Beer was \$1.25 a glass. Fortunately a number of delegates managed a new version of the Corporate Rip-Off when they discovered a Shell Oil dinner party right across the hall from the NDP's — where beer went for 60 cents and liquor for 75 cents. Delegates also had to pay to use the toilets.

Montreal Canadians goalie **Ken Dryden** admitted to *Montreal Gazette* sports editor **Ted Blackman** that the Canada-USSR eight-game hockey series actually ended in a tie — three wins apiece and two ties. Seems the Soviets tied up the second game in Moscow, which Canada was listed as winning 3-2. Nobody, except Dryden and another Canada player, noticed the tying goal. It went in, hit the net and bounced out into the goalie's glove. The Soviets didn't see it and the Canadians said nothing. Dryden, incidentally, recently earned plaudits from the French-language press in Montreal because he's learning the language. Seems no other English player in Montreal did.

The totally - representative - of - all - segments - of - the - community *Ontario Press Council* (read Toronto *Star*-Southam chain council) has had a slight shift in its egalitarian representation. The Council's token labour member has taken a management job.

The Yanks are calling

The *U.S. State Department* is organizing a private three-day Washington meeting to let a few, select Canadians know what America thinks of Canada. The chief executive officer of every bank and trust company in Canada has been invited. All, I understand, have accepted. At least a few of the invitees have that certain queasy we're - being - led - to - the - execution - block feeling about



Drapeau



Mackasey

the invitation. One of them tells me that State wants them in Washington to take a message back to Canada — the U.S. (and Ripley of believe - it - or - not fame should take note of this) is not happy with its economic relations with Canada, and the Auto Pact is to be abrogated. The CIIA (stands for Canadian Institute of International Affairs) is helping State in organizing the meet

Meanwhile, back in Ottawa: there was a lot of squirming going on in the federal *Department of Finance* at the reference in the Throne Speech to a federal-provincial meeting to discuss the Report of the *Economic Council of Canada*. The department and the council do not get along. The government has also given the green light for a national conference on economic indicators, a pet Economic Council project, and Finance officials feel that such a conference would not (to put it mildly) cast the department in a good light

Former Manpower Minister **Bryce Mackasey**, who has picked up the parliamentary mantle discarded by **Eric Kierans**, is not denying the rumours that he may join the NDP . . . However, more reliable reports have Mackasey headed for a big job somewhere in the Power Corporation empire, possibly with Canada Steamship Lines

Something for everyone (almost)

Roads Minister **Bernard (Mr. Patronage) Pinard** is touted to be leaving the Quebec government — for a job with the James Bay power development project. The project, if it isn't stopped, is going to cost in the vicinity of six to ten billion dollars. That's a lot of contracts.

The Quebec Provincial Police have just rented a building in Cap-de-la-Madeleine, near Three Rivers, for ten years for \$984,911. It would have cost them \$700,000 to build it. However, it belongs to **Jean Simard** (of the shipbuilding family that includes **Mrs. Robert Bourassa** and Tourism Minister **Claude Simard**) and his brother-in-law **Clément Massicotte**. In Montreal another government agency has rented a \$450,000 building for five years for \$205,000. It also belongs to the Simard clan. It used to be said that **Premier Bourassa** made it in politics because he

married a Simard daughter. Now they talk of Simard real estate making it.

The Parti Québécois, which wants to put a stop to this sort of stuff, is losing some of its best directors. **Pierre Bourgault** quit because he's broke and has to work himself out of debt (he's going to work as a translator for McClelland and Stewart, doing, among other things, **Pierre Berton's Last Spike** and the late **Lester Pearson's** memoirs). But now word comes that **Pierre Marois** and **Jacques Genest** are also on their way out and won't stand for re-election at the PQ February convention. Representatives of the party's left, they feel the PQ is too electoral and conformist and should engage in real political action.

Chickenshit award of the month

A funny thing happened to *Time Canada* editor **John Scott** and **Charles Smith** of *Readers' Digest* on their way to a radio discussion with the *Last Post's* **Nick Auf der Maur**. They had agreed to talk about their U.S.-owned magazines' controversial role in Canadian publishing on the CBC's radio morning show *This Country in the Morning*. A few days before air time, Charles Smith cancelled out, saying his office had overruled him and ordered him to withdraw. Then, the day before the program, John Scott discovered that something urgent had come up. The CBC had to call off the program.

Time, by the way, has a new Montreal correspondent — an American from Cincinnati who was transferred from Africa. The Ottawa and Vancouver correspondents are also Americans. **Lansing Lamont**, who emits from Ottawa, is the son of the late **Thomas Lamont**, a wheel in the Morgan financial empire; Lansing is a millionaire in his own right. The magazine's meagre section on Canada (which doesn't appear in the U.S. edition) is pulled together in Montreal by three people: an American, an Englishman and a Canadian; after which the whole section has to be checked out by the big chiefs in New York.

Readers are invited to submit absurd, fatuous, overwritten or otherwise noteworthy items culled from the daily and periodical press (preferably three paragraphs or shorter) for boxes in *The Month* section and verifiable bits of gossip for the *Last Pssst* column. Submissions should be addressed to Claude Balloune, c/o Last Post, 430 King St. W. #101, Toronto 135, Ontario. We will pay \$2 for those that we use.

the energy crisis: tuning up for the sell-out

For a few weeks now, American energy companies and the Canadian and U.S. governments have been treating the people of both countries to a well-orchestrated energy scare so that they can carry out programs that will rearrange the energy industry on this continent.

Hearings in the U.S. Senate, a report from the Ontario government and planned hearings by Canada's National Energy Board have been highlighted against the backdrop of a winter oil distribution crisis in the United States.

The crisis is being built up to convince Americans that unless the plans of the energy companies are allowed to go ahead, the U.S. will face cold, empty schoolrooms in winter and failed air-conditioning equipment in summer.

For Canadians, as the Ontario government report put it recently, the energy crisis is a "spill-over" from the crisis in the United States.

The American crisis flows from a record of bad domestic planning for the past 20 years. It arises from the Pentagon's fears of America becoming too dependent on oil imports from politically shaky countries. A further worry is caused by environmentalists, who have been getting in the way of the building of electric power plants and strip mining for coal.

These factors, taken together, have created an energy problem which Washington authorities see lasting until the mid-1980s. After that, they hope, technology will bail them out and new sources of energy will become available and take the pressure off fossil fuels.

American proven reserves for both natural gas and oil stand at about 10 years supply.

Natural gas, the non-polluting wonder fuel, is in the most serious trouble. In 1971 it supplied 35 per cent of U.S. energy needs and only three per cent of this was imported. The U.S. National Petroleum Council projects that by 1985 the absolute amount of natural

gas used will decline slightly, and that, relatively, natural gas will fall sharply from more than one third to about one sixth of American total energy supply. About one third of this gas will be imported by 1985, according to this projection.

Just over 40 per cent of U.S. energy supply now comes from oil, 30 per cent of which is imported. According to the National Petroleum Council, by 1985 oil will still provide the same proportion of American energy as it does today — but by then 60 per cent will be imported.

A sure sign of the current crisis is the revival of coal production in the U.S. It will move from supplying under 20 per cent of American energy to almost 25 per cent — passing natural gas in importance.

Of course, these projections for U.S. energy use are based on the assumption that the same philosophy of energy use will remain dominant. Fully 50 per cent of American energy output is now absorbed by transmission losses, mechanical inefficiencies and incomplete combustion. And that is without even questioning the priorities of U.S. energy use. It is obvious that a country that maintains 93 million cars and 185,000 planes and that charges cheaper rates for fuel the more an industry uses can only survive by living off the energy resources of much of the world.

In the long term, the Americans are hoping the energy crisis will be ended by nuclear power, and particularly by the fast breeder reactor which produces more fuel than it consumes. They are also looking to giant windmills, solar energy, hydrogen fuel for jet aircraft and even human waste as potential sources.

The assumption is that technology will come through as it always has. And whether or not that assumption is correct, the effects of the energy crisis on Canada will be determined by that view of the problem.

Energy companies expect an announcement soon from President Nixon that the Federal Power Commission will take the price ceiling off natural gas and allow it to rise to levels determined by market forces. This will set off a frantic exploration surge for the remaining reserves in the U.S.

by James Laxer

It will also increase the price of natural gas in Canada. Even before the recent distribution crisis in the U.S., Alberta Premier Peter Lougheed had announced that he wanted a two-price system for natural gas — one for Alberta and one for the rest of North America. Under Alberta's royalty arrangements, two thirds of the proposed increased price would go to the energy companies, and one third to the provincial government.

Even if the federal government or the courts finally decide that Alberta cannot establish a two-price system for gas between Alberta and the rest of Canada, Lougheed will have won popular support within Alberta for his increase.

And now Ontario has got into the act with its own report on energy. The report, produced by a task force chaired by former Chairman of the Economic Council of Canada John Deutsch, warned that the large bulk of Ontario's energy is imported from outside the province, and that it can expect supply problems and cost increases related to the American energy crisis.

The energy crisis is being handled both in the United States and in Canada to convince the public that a price increase is justified. Also of great importance is the effort to convince people that we are facing an emergency, and that environmental purists who have been gaining an audience lately shouldn't be allowed to interfere with the quest for life-giving sources of fuel.

In Canada the crisis mentality is being fostered to convince Canadians that it is reasonable to expect that much more of our oil and gas will be exported to the thirsty U.S. and that we had better start tapping Arctic reserves fast if we want to heat our homes and fuel our industries.

The Mackenzie Valley pipeline is now being floated on the psychology created by the energy crisis. First conceived in the late sixties, the pipeline would bring natural gas from Alaska and the Canadian Arctic to southern Canada and the American midwest.

Several years of intense jockeying between two rival syndicates — the Northwest Project Study Group and the Gas Arctic System Study Group — each with its

own scheme for the pipeline, has now ended in a merger. To this merged syndicate were added Imperial Oil Ltd., Gulf Oil Canada Ltd., Shell Canada Ltd. and Canadian Pacific Investments Ltd. Add to that the Canada Development Corporation controlled by the federal government and the result is the most powerful array of corporate and state power ever gathered on behalf of any project in this country's history.

Liberal cabinet ministers have been toasting the pipeline with rhetoric for some time.

Prime Minister Trudeau described his vision of Mackenzie Valley development in these terms:

"It is expensive, but so was the Canadian Pacific Railway a century ago. Is it too big a project for Canada? Only in the view of those who have lost faith in what Canada is all about."

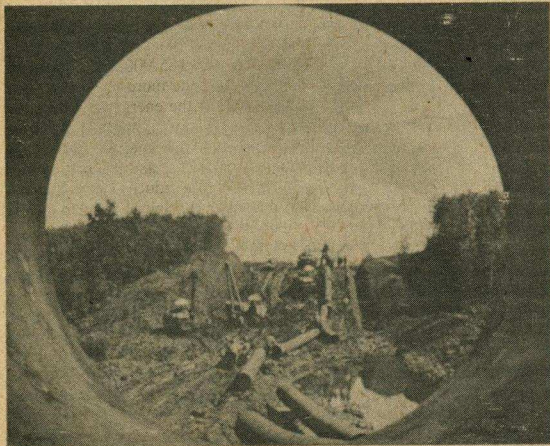
Before the end of the year, the National Energy Board will begin hearings on the mammoth project. The NEB is now considering ways to prevent the hearings from being bogged down by "nuisance groups" like Pollution Probe that have no "legitimate" financial stake in the development, but who are merely concerned with such vagaries as the future of the Canadian environment.

For Canadian government ministers though, the coming NEB hearings are little more than a formality. In March 1971 Jean Chretien, minister of Indian affairs and northern development, told a Dallas, Texas audience:

"We in Canada would welcome the building of such a gas pipeline through our country and would do everything reasonable to facilitate this particular development . . . An oil pipeline would also be acceptable. In other words, if it is felt desirable to build an oil pipeline from Prudhoe Bay direct to the mid-continent market then a right-of-way through Canada I am sure can, and will be made available."

Shortly thereafter, Jack Davis, minister of the environment, stated in Vancouver that he was 90 per cent sure that the building of the Mackenzie Corridor could begin by 1973.

Clearly government ministers were willing to move



The Mackenzie Valley pipeline is now being floated on the psychology created by the energy crisis. Behind it is the most powerful array of corporate and state power in this country's history.



"It is expensive," said Trudeau, "but so was the Canadian Pacific Railway. Is it too big a project for Canada? Only in the view of those who have lost faith in what Canada is all about."

on the pipeline more quickly than the oil companies. It is difficult to disagree with Dr. Douglas Pimlott, chairman of the Canadian Arctic Resources Committee, that "the Mackenzie Valley would probably have had a hurry-up pipeline if the international petroleum executives had opted to put one there."

Canada's energy minister, Donald Macdonald, has added his praise of that of other cabinet ministers for the initiative being shown by the oil companies in moving into the north.

He has also been trying to convince the Americans that a Mackenzie Valley pipeline is preferable to a trans-Alaska and west-coast shipping route for Alaskan oil and gas.

In May 1972, Macdonald highlighted the security of the Canadian route as its chief advantage for the Americans. In a letter to U.S. Interior Secretary Rogers Morton, the energy minister wrote:

"There would be many advantages arising from the use of a Canadian pipeline route. We believe it would enhance the energy security of your country by providing an overland route for your Alaska oil production, thereby servicing the oil deficit areas of the mid-continent and also the Pacific North West.

"Canada has an interest in the energy security of your country, and this land route for Alaska crude oil would enhance that security of supply to deficit areas in the United States. Furthermore, this security of supply could be further enhanced during the interim period of northern pipeline construction by extra Canadian crude."

Not only has Macdonald been using the security argument as the key to attracting the Americans to the Mackenzie Valley route, he has also been engaging in secret talks with the U.S. on the security of eastern Canada's oil supply.

The security issue is critical to energy negotiations

now going on between Canada and the U.S.

When the U.S. contemplates the prospect of importing 60 per cent of its crude oil from abroad by the early 1980s, Pentagon strategists are filled with terrified visions of political unrest in the Arab countries.

The Shultz Report, entitled *The Oil Import Question: A Report on the Relationship of Oil Imports to the National Security* was presented to the U.S. cabinet in February 1970. The ultimate nightmare of the authors of the Shultz Report (George Shultz is now Secretary of the Treasury in the Nixon administration) was that all the oil producers of the middle east, north Africa and Venezuela could get together and boycott the markets of western Europe and the United States to get a better trade deal with industrial oil-consuming countries.

A major part of the solution to these fears of insecurity of foreign supplies lay in locating "safe" sources of foreign supply. Throughout the report, Canada was assumed to be the best bet.

"The risk of political instability or animosity is generally conceded to be very low in Canada. The risk of physical interruption or diversion of Canadian oil to other export markets in an emergency is also minimal for those deliveries made by inland transport", said the report.

But the Shultz Report was not entirely happy with Canada. The problem it saw was that east of the Ottawa valley, Canada's oil markets were supplied from the middle east and Venezuela. Therefore, in the event of a supply interruption, Canada might be expected to shift its western oil from the United States to Montreal to supply eastern Canada first. This problem tended "to subtract from the security value of U.S. imports from Western Canada".

The report concluded:

"Some provision for limiting or offsetting Canadian

vulnerability to an interruption of its own oil imports should therefore be made a precondition to unrestricted entry of Canadian oil into our market. Full realization of the security benefits implicit in such a preferential arrangement is also dependent on the development of common or harmonized United States-Canadian policies with respect to pipeline and other modes of transportation, access to natural gas, and other related energy matters."

What the Americans want from Canada is not simply a commercial source of oil (they can get that from the Middle East more cheaply), but a political guarantee of security of access to resources that will involve a commitment by the supplier country to give up free choices for the future in defining surpluses, ownership and marketing methods for resources.

In 1970 however, the Canadian government was unwilling to talk to the U.S. about the security of eastern Canadian oil supply. In a speech to American oilmen in Denver, former Energy Minister Joe Greene stated:

"It must be left to us, to Canada, to evaluate the matter of oil supply security in eastern Canada and to take any appropriate action.

"This aspect of freedom of domestic policy-making is most important to us. We believe our national and international, political and economic circumstances are such that we must retain freedom to apply the Canadian solutions to Canadian problems," he concluded.

Donald Macdonald has moved the Canadian position significantly from the days of Joe Greene.

His talks with the U.S. on the security of eastern Canadian oil supply means the Canadian government is moving to meet the vital precondition to a continental energy deal set down by the Shultz report. Taken together with his invitation to the Americans to consider the security benefits of the Mackenzie Valley pipeline, Macdonald's initiatives involve the sale of Canadian sovereignty, as well as gas and oil.

Former U.S. Secretary of the Treasury John Connally said recently that he thought the U.S. should take action to prevent foreign countries from reneging on long-term commitments to U.S. companies.

"If a U.S. company goes overseas with any sort of federal insurance coverage," Connally said, "the U.S. might well say this agreement cannot be changed, altered, amended or terminated without the prior written approval of the U.S. government." And that, he said, might make other governments think twice before acting against U.S. companies.

If a continental energy deal including a Mackenzie Valley gas, and later oil pipeline is begun, it will affect this country's economy as well as its sovereignty.

The most obvious effect will be to raise the cost of oil and gas in Canada. Canadian natural gas prices are already rising to meet the U.S. cost, in part because of the sale to that country in September 1970 of 6.3 trillion cubic feet of gas, worth about two billion dollars.

When Nixon lifts the price ceiling on natural gas, we can expect more upward pressure on the price for Canadians.

And, of course, the export to the U.S. of about half our output of gas and oil depletes our sources in Alberta more quickly, forcing us north to the more expensive reserves.

Macdonald pointed out that at our present rate of consumption (including exports to the U.S.) we have proven reserves for something like 18 years in oil, and 28 years in natural gas. Therefore, we must be active in expanding the reserves through exploration, especially in the north. More than half our oil production is now exported to the U.S., compared with only 22 per cent in 1960.

The problem is that oil and gas is an increasing-cost industry in which economies of scale work only in transportation. The more you extract the higher the cost of extraction becomes as you move to more distant sources of supply. We can expect another steep increase in oil and gas costs for Canadians when Arctic supplies come into production.

Of course, this problem of cost is also a problem for the U.S. When they think of increasing the deficit in their energy trade from the current level of four billion dollars a year to twenty billion in the early 1980s, they are terrified of the effects on their already negative balance of trade.

If they are going to buy vast amounts of oil and gas from abroad, they must maximize the profit flows back to the U.S. through American ownership of the foreign supplies. Canada's oil and gas industry, 82.6 per cent foreign-owned, is ideal from this point of view.

In addition, they must muscle their way into the markets of the supplying countries for more of their manufactured goods.

As well as gaining secure access to our energy

SOME ISSUES NEVER DIE

Of the mines of this vast region little is known of that part east of the Mackenzie River and north of the Great Slave Lake The petroleum area is so extensive as to justify the belief that eventually it will supply the larger part of this continent and be shipped from Churchill or some more northern Hudson's Bay port to England.

— *Third Report of the Senate committee on northern resources, 1888*

We must develop all our resources. We are told that Mackenzie, going down the Mackenzie river 130 years ago, found oil in that section of the country. I have statistics to show where we buy our gasoline [*sic*] from, and most of our money spent on gasoline goes to the United States. We have our oil wells up in the Mackenzie River district and we need a railway there to enable private enterprise to develop them. Of course the great Imperial Oil Company will put in their plant, but that will be another monopoly. If the Imperial Oil Company, the big child of the Standard Oil Company puts in a pipe line, you will not see cheaper oil. A railway line must be built or some other method of transportation provided. It would cost a great deal of money to put in canals or locks, but there should be some way of getting into that vast territory.

— *W. K. Baldwin (Stanstead) Debates, House of Commons, 1921*



Energy Minister Donald Macdonald

resources, the U.S. will want increased access to Canadian manufacturing markets. The resulting trade-off will mean more Canadian development in the capital-intensive resource field, and less in labour-intensive manufacturing.

Another adverse effect for jobs in Canada will result from the cost increase the energy deal will bring. Instead of using our energy at low cost to cut the cost of manufacturing in Canada, we will help to make American industry more competitive. The energy deal means moving energy to industry in the U.S. instead of creating industry at the site of the resource in Canada.

It is reasonable to demand that Canadian resources be used as the basis for Canadian industry, while at the same time insisting that our industries end the waste of energy. This can be done by reversing the present pricing system which rewards waste by charging less

the more power is used. If that system was reversed and an increasing cost curve was built in for industrial use of power, it would provide a powerful incentive for industry to end energy waste.

Eric Kierans has developed the argument that one economic cost of building the pipeline will result from the effect of a huge importation of capital from abroad on the value of the Canadian dollar. Kierans argues that an inflow of U.S. dollars for the Mackenzie Valley project and for the James Bay hydro development project in Quebec (total cost \$12 billion for the two projects) will drive up the value of the Canadian dollar and hurt our export industries. (If the Canadian dollar is valued at \$1.10 American it takes more American dollars to buy a dollar's worth of Canadian goods. This amounts to a self-imposed hurdle for our exports.)

A California economist, concerned about the U.S. balance-of-payments crisis, has worked out the following estimate for the trade effects of an upward revaluation of the Canadian dollar: a five per cent increase would result in a \$715 million negative trade shift for Canada with the U.S.; a 10 per cent increase would result in a \$1.6 billion negative trade shift.

There is, of course, one way around this problem. If the foreign capital raised for the project is simply spent abroad, it will not affect the Canadian exchange rate. But it will create no jobs in Canada either. If spending is done in Canada, it will affect the exchange rate and will hurt export industries, while providing a temporary boom in the building of steel pipe.

Ironically the Americans may well prefer to have the bulk of the capital for the pipeline raised in Canada, and they may well prefer Canadian control of the whole venture. This way, the very heavy cost of construction would fall on Canadians who would then earn a low fixed rate of return on the pipeline which, as a common carrier, would be treated like a public utility. Meanwhile the real profits would be made by the petroleum countries whose gas would flow through the pipe to market.

Significantly, when the Committee for an Independent Canada asked for assurance that Canadians would control the pipeline, Donald Macdonald said that he favoured this arrangement himself. Nothing could be more ironic than a demand for Canadian control of the pipeline causing Canadians to put up the long-term, high-risk involvement for the pipeline, while American



CHILE VS. THE CORPORATIONS

A Call for Canadian Support

- The "Copper War" between Kennecott Corporation and the Chilean Government
- Salvador Allende's comments on multinational corporations before the United Nations
- Kennecott's holdings and influence in Canada
- Appeals from American and Canadian missionaries in Chile for support of Allende

56 pages. Illustrated. Price 50c per copy.

For orders, bulk rates, lists of other material on Latin America, Third World and Canada, write to the co-publishers:

Development Education Centre, 200 Bedford Road, Toronto 180, Ontario.

OR

Latin American Working Group, Box 6300, Station A, Toronto 1, Ontario.

oil companies walked away with all the real benefits.

If the pipeline is built through funds raised in Canada, it will mean an enormous mobilization of Canadian capital which could otherwise be used to create jobs for Canadians in the manufacturing sector of the economy.

When asked on a television program early in 1973 why Canada did not place more emphasis on manufacturing in its development strategy, Macdonald replied that there simply were no available markets for Canada's manufacturing.

He ignored the fact that Canada is by far the world's leading importer of manufactured goods, bringing them in at a rate of \$463 per capita per year compared with \$116 for the United States.

If, instead of building the Mackenzie Valley Pipeline, the government set as its objective for the seventies the reduction of Canada's per capita manufacturing imports to the U.S. level, an additional annual market of seven billion dollars for Canadian manufactured goods would be created. By itself, this project would create enough industrial jobs and related service jobs to eliminate Canadian unemployment. The Mackenzie Valley pipeline, on the other hand, will create no more than a few hundred permanent jobs.

A recent background study for the Science Council of Canada by Pierre L. Bourgault, Dean of Applied Science at Sherbrooke University, warned that Canada's mushrooming expansion of resource extraction is driving this country rapidly up the cost curve in resource industries. At the end of the road, he warns, we will have depleted our resources while having created no other economic activity to take their place.

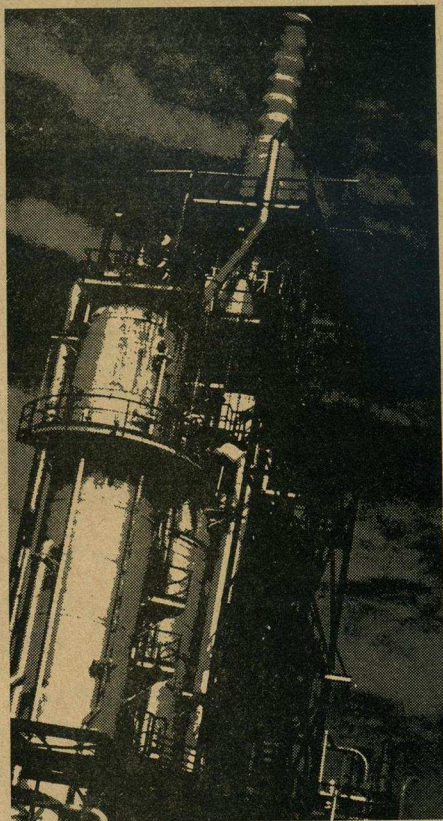
Environmentalists, of course, see the problem not solely in economic terms but in terms of human and non-human survival. They point out that the assumption that technology will come through with the answers is potentially fatal in an epoch when man's impact on the environment is already vast. They advance the principle that the onus for proving that development will not have more negative than positive effects should be placed on the developer.

Further, they insist that when problems are foreseen, steps in economic development should not be taken on the assumption that scientists will save us before the problem materializes.

Most directly concerned with the environmental aspects of the Mackenzie Valley pipeline are the permanent inhabitants of the north, the original peoples. The Canadian government takes the view that these people cannot be allowed to stand in the way of progress.

Opposition to the energy deal and the Mackenzie Valley pipeline is forming in Canada. The opposition bears little resemblance to the powerful assemblage of corporations that have gathered to push the project through. Made up of ordinary citizens who are concerned with the political, economic and environmental consequences of the pipeline, the opposition is beginning to form into small pockets of resistance across the country. But before the year is out a national coalition dedicated to stop the pipeline may be formed of what is now a disarray of Indians, Eskimos, ecologists, trade unionists, socialists and nationalists.

The coalition will have to demand a ban on all further resource development in the Canadian north until the



rights of the original peoples have been fully recognized and until the answers to environmental problems become much clearer. If development later proceeds, it must involve local control for the original people of the north as a basic principle.

As well as calling for a moratorium on resource development in the north, an opposition movement will have to consider the demand for public ownership of the energy resource industries that are now in production in southern Canada.

Public ownership is the one way to stop the flow of profits out of Canada and to end the power of the corporations that are now coming together to launch the pipeline. Profits from publicly-owned energy industries could serve as the basis for investment in secondary industry that could give resource-producing areas like Alberta balanced, long-term economic prospects.

James Laxer is one of the founders of the Waffle and teaches political science at York University.



CHIEF DAN GEORGE and FIREWEED A MARRIAGE OF THE OLD AND NEW

FIREWEED PLAY A BACK HOME COUNTRY SOUND, MOVE INTO A HEAVY BLUES RIFF AND BACK INTO COUNTRY. ENTER THE VOICE, WITH THE WORDS OF WISDOM, AND BEHIND IT THE WEIGHT OF A THOUSAND YEARS OF BRITISH COLUMBIA INDIAN HERITAGE. THESE ANCIENT MELODIES SET TO MODERN MUSIC GIVE NEW MEANING TO BOTH SOUNDS – AND NOW AT 72 THE CHIEF STILL HAS GOT A LOT MORE WORTH SAYING.

CAN-BASE CB1-5002

Manufactured and distributed by Columbia Records of Canada, Ltd.

THE ONE & ONLY, ALTOGETHER UNIQUE
GAME OF PARLIAMENTARY
PITFALLS!

Hear! Hear!

A CHILDREN'S GAME
FOR ADULTS
ONE TO 264 PLAYERS

IT'S REALISTIC!
IT'S EDUCATIONAL!

**JUMP TO DIVISION BELLS!
RISE TO POINTS OF ORDER!
OH OH WITH HON. MEMBERS!**

(French instructions inside box)

'More fun than a Science Council report!'

— Globe and Mail
'Not amused!'

—Bryce Mackasey
'Waste of time!'

—Robert Stanfield



LAST POST

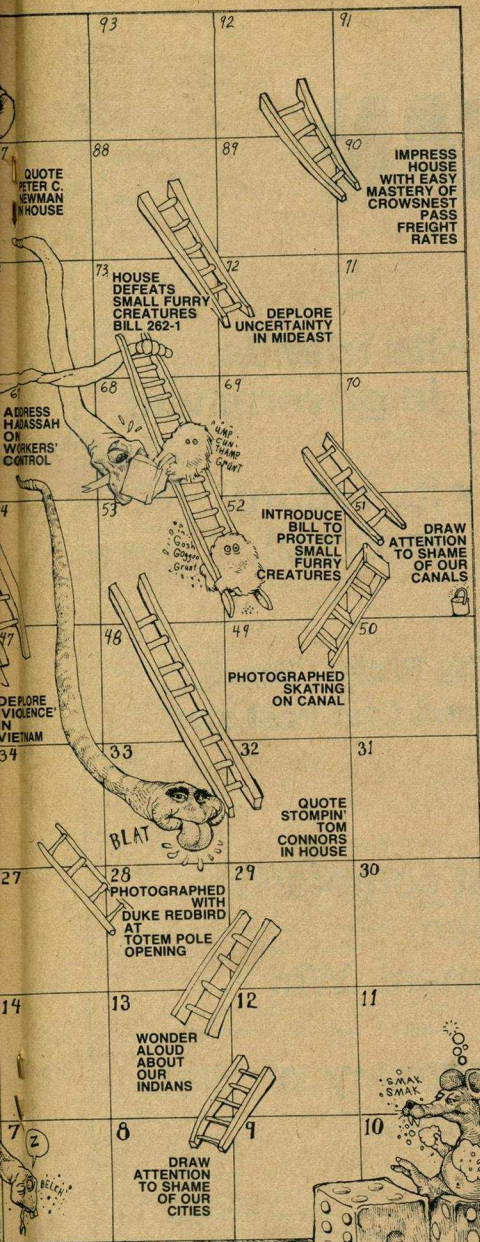


SEAL OF DISAPPROVAL

Copyright © 1973
Canadian Journalism Foundation, Inc.
Educational Games Division



100 THAT'S ALL FOLKS 	99 NAMED GOOD PM MATERIAL BY PETER C. NEWMAN	98	97	96 RUMOURED FOR SENATE APPOINTMENT	95 SUFFER DIARRHEA ATTACK DURING DIVISION; GOVERNMENT DEFEATED	94
81 SIZZLE 	82	83	84	85 NAMED ONE OF TEN SEXIEST ETHNIC MP'S BY CHRISTINA NEWMAN	86	87 QUOTE PETER NEWMAN IN HOUSE
80 SUGGEST PEACEKEEPING ROLE IN NORTHERN IRELAND	79	78	77	76	75	74
61	62	63 ATTEND SOPHIE LEWIS SOIREE	64	65 COMPLAIN TO RON COLLISTER OF LACK OF CONCERN FOR SMALL FURRY CREATURES	66	67 ADDRESS MADASS ON WORKER CONTROL
60	59	58	57	56	55	54
	DEPLORE DECLINE IN VALUES				QUOTE I. LAYTON IN HOUSE	
41	42	43	44	45 GUEST ON CROSS-COUNTRY CHECKUP	46	47 DEPLORE VIOLENCE IN VIETNAM
40 WAVE GAILY TO MISTRESS IN PUBLIC GALLERY; SHOCK HOUSE	39	38	37	36	35	34
	DRAW ATTENTION TO SHAME OF OUR FORESTS					
21	22	23	24 4 WEEK IMMERSION COURSE AT BERLITZ	25	26	27
		GO ON FACT-FINDING TOUR OF QUEBEC		WOW		
20	19	18 ADDRESS ST-JEAN-BAPTISTE SOCIETY ON WESTERN ALIENATION	17	16	15	14
TAKE DIM VIEW OF FUTURE				PHOTOGRAPHED RIDING CYCLE TO HOUSE	GUEST ON TAKE 30	
1	2	3	4	5	6	7
		AVOID IVAN HEAD	TEE HEE		EXPOSE MEMBER, BUT OF GAME'S SO LONG	STUN HOUSE
				HAVE WIFE JOIN FRIENDS OF NATIONAL ARTS CENTRE		



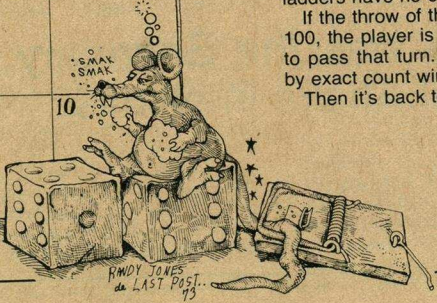
Among the 259 men and five women who took their seats in the new parliament January 4 were a larger than usual number of first-time MPs, new to the manners and customs of public life. Many of them — and who would blame them — entertain higher ambitions than being ordinary MPs, dream of one day entering the corridors of real power, the cabinet and, ultimately, the prime ministership.

This game, researched and compiled by journalists, historians and mathematicians, is a realistic recreation of what they can expect. The rules are simple. All you need is a pair of dice and a number of tokens. Players all place their tokens in square one. Each player throws the dice in turn and moves his token the number of squares indicated.

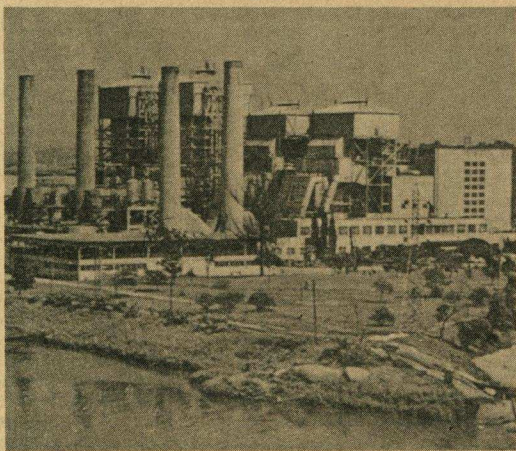
A player landing on the foot of a ladder moves immediately to the head of that ladder. A player landing on the tail of a snake moves immediately to the head of that snake. The intermediate portions of snakes and ladders have no effect on the game.

If the throw of the dice carries a player past square 100, the player is known as an 'overreacher' and has to pass that turn. First player to land on square 100 by exact count wins.

Then it's back to square one.



THE BRASCAN FILE



*Light-serviços de electricidade's
Piratininga steam plant*

- Its friends
in government
- Its record
in Brazil

by Project Brazil
and Last Post staff

One of Canada's largest corporations gets a very generous loan from the Liberal government. Why?

And where was the Secretary of State for External Affairs in all this?

It was the kind of filler you would expect to find in the papers during the slack season before Christmas. Another government handout pumped out over the Canadian Press wire without comment or analysis.

Buried in the business section of the Toronto *Globe and Mail*:

"The Canadian Export Development Corporation will lend Brazil \$26.5 million to help that country buy electrical equipment in Canada.

"The corporation said the money will be loaned to Light-serviços de electricidade SA, Rio de Janeiro, a private Brazilian utility company.

"The loan is guaranteed by the government of Brazil. Light-serviços must buy at least \$23 million worth of transmission and distribution equipment from such companies as Canadian General Electric, Collins Radio, Westinghouse Canada, Canadian Marconi and others under the agreement."

The seemingly bland release became more interesting after some queries.

A telephone call to the Export Development Corporation established that seven companies were on the list which the Brazilian company, Light-serviços, had to buy from. All those seven (Lenkurt Electric, S & C Electric and ITE Circuit Breaker Ltd. were the others) prove to be completely foreign-owned. One British and six American. That the Canadian government makes a multi-million dollar loan to benefit Canadian industry, and allows the beneficiaries to be all foreign companies is in itself quaint, given the prevailing political climate.

But much more interesting things were to be learned about this "private Brazilian utility company" (as the press release called it) Light-serviços de electricidade, commonly known as the Light, which gets the loan.

The Portuguese name covers a firm which is owned (83 per cent) by Brascan, a massive company controlled in Canada (although the majority of its shares are held in the U.S.).

A brief word about Brascan. It outranked both Ford of Canada and General Motors in net income last year. It controls assets of more than a billion dollars in value. Canada's very own multinational corporation.

Its profit base lies with exploitation of Brazilian resources, but the public face best-known to Canadians is the gushy series of Labatt beer commercials — Brascan also controls Labatt.

So it became even more interesting to observe that the Canadian government coughs up a loan of \$26.5 million, no miserly gesture these days, to a company in Brazil that's owned by a Canadian conglomerate headquartered in Toronto.

The cheque for \$26.5 million, to illustrate the point, might best be mailed from Ottawa to 25 King Street West, Toronto 1, Ontario, the headquarters of Brascan. Skip Brazil.

The stated aims of the Export Development Corporation, a Crown Corporation within the department of industry, trade and commerce, are to provide Canadian exporters with financial facilities, helping them to be successful in international markets.

The struggling firm that is the beneficiary of this particular piece of assistance netted profits of \$83 million in 1971 and \$76.5 million in the first nine months of 1972. Brascan can be presumed to have been amply encouraged.

How generous a loan is this on the government's part? Consider the figure \$26.5 million. During the sixties, the EDC averaged just slightly under \$50 million a year in the total amount of loans they gave out to all companies. In the seventies, the EDC has been mandated to break out into the big time in export development. This loan suggests they have taken their mandate seriously.

The Canadian government gives a generous loan to one of the richest corporations in the country, so that one of its Brazilian subsidiaries can spend it all on buying machinery from American companies.

The philosophy smacks of the ingenious subsidies passed out to corporate giants by the DREE programme.

But the most interesting parts of the trail lie in the links between Brascan and the Liberal Party, and particularly, between Brascan and the highest echelons of the cabinet.

As soon as Trudeau won the Liberal leadership in the spring convention of 1968, the late Robert Winters, the candidate representing the right wing of the party, assumed the presidency of Brascan. Up until the Liberal leadership race, Winters has held the ministry of trade and commerce.

Winters' source of funds for his campaign remains in the realm of speculation, but it need not tax even the most restrained imaginations. There was, after all, a concerted and financially well-oiled campaign to prevent the Liberal Party from falling into the control of the Quebec caucus, and at the centre of that effort were the Toronto business pillars of the party.

In May of 1969, the new president of Brascan and former number-two man in the Liberal Party spoke approvingly of the military dictatorship in Brazil: "The military government," Mr. Winters said, "was dedicated to the principles of private enterprise. They realized they needed to create a climate friendly to foreign capital, and they did so."

Winters was expressing Brascan's relief at having escaped possible losses when the telephone system was nationalized by the dictatorship. The company got a very profitable settlement indeed, and unloaded an outmoded system.

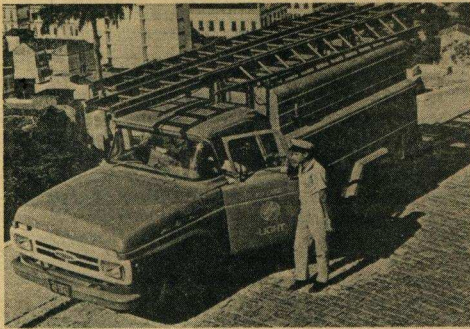
But then that was no surprise either, since Brascan (then called Brazilian Traction) had some well-placed friends.

For right after the 1968 election, at the right hand of the new Prime Minister, sat the new number two man in the Liberal Party, the Hon. Mitchell Sharp. Formerly finance minister in the Pearson cabinet at the time Winters was trade minister, Sharp now held the prestigious and powerful post of secretary of state for external affairs.

Mr. Sharp, who continues in this post, had been a career civil servant in the department of trade and commerce, attaining the post of deputy minister under C. D. Howe in the Liberal administration of Louis St-Laurent. Then the Liberals were swept out by Diefenbaker, and after a year Mr. Sharp was forced to seek his fortunes elsewhere.

He found it in Brazilian Traction. The career civil servant had presumably made contacts during his term in trade and commerce. In 1958 he assumed the influential position of vice-president of Brazilian Traction. He held it until 1962, when he left the company to seek a seat in the House, and lost. He ran again, and won, in 1963.

His work with Brazilian Traction took him to Brazil four months out of every year, where he became well acquainted



A Light serviceman with his truck in Rio de Janeiro

with the country. In the summer of 1962 he was the first chairman of the International Coffee Conference, and helped to negotiate the International Coffee Agreement. He was to renew his old contacts in Rio soon after becoming external affairs secretary six years later, when he headed the largest Canadian government tour ever to travel to South America, the "ministerial mission" of 1968.

(While vice-president of Brazilian Tractor, Mr. Sharp, often misrepresented as lacking a sense of humour, also became the first chairman of the Canadian Freedom from Hunger Committee.)

Mr. Sharp probably does not own any shares of Brascan now, and although he told a classroom during the last election that his wife owned a couple of hundred shares, this does not constitute a conflict of interest in any real sense. Cabinet ministers are told to divest their shares quickly or put them in trust away from snooping eyes.

Nor does the department of external affairs have any control of the Export Development Corporation, which is a Crown Corporation. Nor does the cabinet formally approve these loans.

On paper, Mr. Sharp is above reproach.

In fact, taking into consideration that the realities of Ottawa government don't function according to the paper rules all that much, Mr. Sharp and the Liberal government are very much suspect.

It is difficult to pretend that a loan of this dimension is not co-ordinated with the department of external affairs, especially since it involves a formal guarantee of the loan from the Brazilian government.

At the same time, the Canadian International Development Agency (CIDA), which is the foreign aid division of External, is pumping millions into Brazil for the development, co-incidentally, of hydroelectric power. The president of CIDA automatically sits on the EDC board. The foreign aid money from External Affairs goes formally to the Brazilian government, which is responsible for the generation of electric power, but the transmission and distribution of electric power in the industrial heartland of Brazil, as any Brascan report will tell you, is the responsibility of Light-serviços de electricidade — the Brascan-owned company that got the \$26.5 million loan last December.

Mr. Sharp had to be aware of that loan. Being responsible for relations with Brazil, and for the overall policy of foreign

aid, to which such a loan is related at least in broad terms, Mr. Sharp had a hand in it.

Mr. Sharp is, after all, responsible for Canada's generous foreign policy towards a country which is rapidly earning the distaste of large parts of the world because of its stringent policies of internal repression.

Since coming to power in 1964, the Brazilian military regime has been filling the business press with articles urging foreign investment in its new "economic miracle." This reached a high point last September with a full-page ad in the London *Economist* headed "Why every investor should put his money behind the latest revolution in Latin America."

In the past year there have, however, been a couple of cracks in the façade. First that well-known subversive Robert McNamara of the World Bank observed that the Brazilian miracle was somewhat uneven in its impact. He noted that the richest five per cent of the population saw its share of national income rise during the sixties from 29 per cent to 38 per cent, while the poorest 40 per cent saw its share drop from 10 per cent to eight per cent.

This rather selective boom has understandably led to some unrest. But any worries among foreign beneficiaries that internal opposition might affect the boom were laid to rest last October with the release of a report on torture by the British-based group Amnesty International. The Amnesty study on Brazilian prisons detailed no fewer than 1,081 documented cases of torture, complete with the names of the victims and torturers, and the observation that torture in Brazil is "an integral part of the political system which affects a growing proportion of the population."

There were some who were so bold as to suggest to Mitchell Sharp that Canada might consider the Amnesty findings sufficient grounds for breaking off diplomatic relations with the Brazilian military. "Surely the argument for the establishment of diplomatic relations between countries of different ideologies is, from our point of view, to spread those ideas about human rights in which we believe," replied the unflappable Mr. Sharp. "We must maintain dialogue."

Also, the current minister of industry, trade and commerce, Alastair Gillespie, has a pet love for the idea of Canadian-based multinationals (a love which carried him to Herman Kahn's Hudson Institute to study how to buttress them), and thus bears a special feeling for Brascan and its future prosperity (see box).

Jake Moore, the current president of Brascan, is a Liberal Party luminary, and one of the founders and biggest financial backers of the Committee for an Independent Canada, which is effectively a reform caucus in the Liberal Party urging, among other things, more vigorous Canadian business enterprise.

Brascan's legal representatives are the two biggest political law firms in Toronto: McCarthy and McCarthy; and Blake, Cassels, Blake, Cassels is linked with Walter Gordon and the Liberal machine in the city, while McCarthy and McCarthy acts as bagmen for both the Liberals and the Conservatives.

The links between Brascan and the Liberal Party are thus not only links between people. Brascan fits with the current Liberal Party theory of business — the expansion of a vigorous Canadian investment policy abroad. It's what *Fortune* would call a "productive interface between government and enterprise."

And the embodiment of this link is Mitchell Sharp.

The Liberal government has one more question to answer: Why was as large a loan as this given to an extremely wealthy

A Canadian nationalism of a very particular sort

Unlike his predecessors Mitchell Sharp and Robert Winters, the current minister of industry, trade and commerce, Alastair Gillespie, has no direct connection with Brascan.

But they should have no problem warming to each other. For Gillespie and Brascan president Jake Moore share a Canadian nationalism of a very particular sort.

Like Moore, Gillespie has been linked with the Committee for an Independent Canada, more accurately referred to as the Committee for an Indigenous Capitalism (Gillespie's nationalist credentials go back to the early sixties when he was a business associate of Walter Gordon's). And like Moore, Gillespie's nationalism foresees increased Canadian economic interests not only in Canada but in other countries as well.

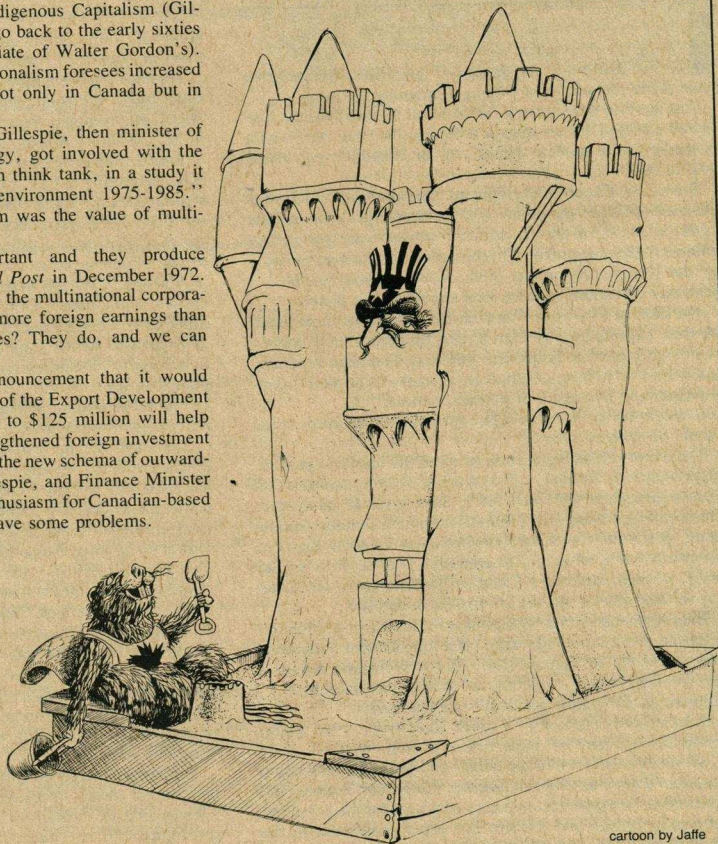
It seems that back in 1971 Gillespie, then minister of state for science and technology, got involved with the Hudson Institute, the American think tank, in a study it was doing of "the corporate environment 1975-1985." One of the things it taught him was the value of multinational corporations.

"Multinationals are important and they produce results," he told the *Financial Post* in December 1972. "Do you know that in the U.S. the multinational corporations produce more jobs and more foreign earnings than the purely domestic companies? They do, and we can do the same here."

The recent government announcement that it would increase the authorized capital of the Export Development Corporation from \$75 million to \$125 million will help his plans. Along with the strengthened foreign investment legislation, it seemed to fit into the new schema of outward-looking nationalism. But Gillespie, and Finance Minister John Turner who shares his enthusiasm for Canadian-based multinationals, are likely to have some problems.

They might, for instance, recall a study of the multinational corporation done for the Science Council of Canada when Gillespie was responsible for that body as science minister. Researcher Arthur Cordell found that Canadian-based multinationals were no more inclined to act in Canadian interests than foreign-based multinationals (Last Post, Vol. 3, No. 1).

And Gillespie might find it a bit hard to reconcile with his nationalism that of the few Canadian multinationals of any significance, several — among them Brascan — are majority owned in the United States.



cartoon by Jaffe

company at this time? The payoff of \$26.5 million in credits was announced on the same day as Brascan took over control of the giant Swift-Armour meat packing complex in Brazil. Did the Canadian loan free up capital required for Brascan's expansion into the meat-processing industry? Brascan is trying feverishly to diversify, and the current pro-multinational policy of the Liberal government supports the idea of diversification of a Canadian company.

Whether or not Mitchell Sharp can be accused of *de facto* conflict of interest will probably never be known, because

it will never be revealed to which extent he was instrumental in this loan, or just aware of it.

But it is clear that he is responsible for the continuation and preservation of a foreign policy dictated by the interests of a specific commercial sector vis à vis one country.

As long as Mitchell Sharp runs our foreign policy, and Alastair Gillespie encourages the interests of multinationals like Brascan in industry, trade and commerce, Ottawa's foreign policy towards Brazil will remain what it is today: Brascan's foreign policy.

No multinational corporation should be without an EDC.

It's just another of the dozens of quiet little agencies that have made real estate in Ottawa a booming business.

Just another little agency. Which will be distributing close to half a billion dollars in export credits this year. And which is turning into another useful arm of corporate expansion in Canada.

Since the Export Development Corporation (EDC) was elevated to its present status of a Crown Corporation in June 1969, it has been able to exercise power over this money without Cabinet approval. This has left it open to manipulation by the larger corporations in the country, and insulated it from any corrupting contact with the Canadian people.

The EDC acts to insure Canadian firms against non-payment for their exports by a foreign buyer; further, it lends money to foreign buyers to help them purchase Canadian products; and it works "to insure Canadians against loss of their investments abroad by reason of political actions"

A nice little service. No aspiring multinational corporation should be without one.

The export financing section of the EDC has been particularly useful to foreign multinationals with subsidiaries in Canada. Between 1961 and 1971, there were 13 companies which received more than \$15 million in EDC credits. Among them, one finds the names of Canadian General Electric, General Motors, Montreal Locomotive Works, Port Weller Dry Dock and Automatic Electric. Some of these are better known than others. All are controlled in the U.S.

And when one turns to the major Canadian beneficiaries of this largesse, one of the largest is a little-known Vancouver firm called H. A. Simons Ltd. The \$36 million which it has received stands well ahead of the next-largest B.C. recipient, a firm called Sandwell and Company.

But the mists clear with a quick look at the 1971 report of the EDC. There on page three, in living colour, is P. R. Sandwell, a director of the EDC. And the trade publication *Canadian Pulp and Paper Industry* has linked Simons and Sandwell as being responsible between them for the engineering and design of one third of the paper mills built in the world since 1945. "Worldwide, they know of Simons and

Sandwell," the article is headed; evidently, they know of them in Ottawa.

Another representative of the business community on the EDC board for some time was Paul Leman, president of Alcan. His company has managed to pull down \$14.7 million in EDC credits since the mid-sixties.

Small companies aren't in for much help from the Corporation. According to EDC rules, a transaction must be of "substantial value," more than \$1 million, before it is eligible for EDC credit assistance. This particular bonanza is only for the big boys — especially those who are big enough to slip a representative directly onto the EDC board.

And we all know where the big boys are located — in Ontario and Quebec. Only our friends Simons Ltd. and one other of the 13 big beneficiaries were located outside Ontario and Quebec. At the same time as DREE bumbles along in its efforts to reduce regional inequality, the EDC cheerfully pumps its resources directly into the richest part of the country. Of the \$800 million disbursed up to 1971, more than \$650 million went to companies in Ontario and Quebec.

The EDC has been given powers to insure the overseas transactions and investments of "Canadian" companies. It has used this to help build Canadian commercial relations with such progressive countries as Greece, Portugal, Taiwan, the Dominican Republic and Iran, to name just a few.

If at some stage the peoples of those countries rise against their present regimes, the assets and transactions of EDC-supported companies will be insured by Canadian tax moneys.

Of course, this EDC insurance does not step on the toes of the powerful Canadian insurance companies. The EDC specifically notes that "an EDC policy does not cover risks which can be and normally are insured with commercial insurers." Since insurance companies will insure practically anything for the right money, Canadian taxpayers might well be uneasy about the risks which are now being undertaken with their money.

The risks covered by EDC policies include insolvency of the foreign buyer, blockage of funds from the purchasing country due to foreign exchange difficulties, and "war or revolution" in the buyer's country. In 1971, more than \$300,000 was paid out to compensate for "political actions"



Diversification. That's the key. The path of the real, live multinationals in the States.

abroad. No wonder that commercial insurance companies don't want to touch it.

The EDC can cover liabilities of \$150 million in investment insurance at any one time. Its most recent public report,

A MODEL EMPLOYEE . . .

"Paulo Almeida was a semi-skilled worker when he started with the Light ten years ago. Today, at 35, he is the foreman of a Light maintenance crew and the proud owner of a comfortable three-bedroom house in Madureira, a suburb of northern Rio de Janeiro. Paulo is one of 7,500 employee's of Light's distribution department

"Paulo's wife, Ermelinda, spends most of her time homemaking and bringing up their two young children, Teresa and Carlos. Paulo spends his leisure time at home, tending the garden and watching TV

"Carlos, 10, is centre-forward of the junior football team sponsored by the Light distribution department, and the goals he scores are a source of constant pride to his father. Like all boys, Carlos idolizes 'King Pele,' the superstar who led Brazil to its third World Football Championship in 1970

—*portrait of an employee in Brascan's 1970 Annual Report*

. . . IN THE GENERAL PATTERN

"Brazilians are basically an easy-going, moderate, optimistic people, with a talent for human relations. There is little class feeling.

"When given an opportunity, the Brazilian learns quickly, works hard, is ambitious, takes pride in his work and has a high sense of commercial morality"

—*Wood Gundy report on Brascan, 1971.*

for 1971, shows that more than 85 per cent of its coverage was for investment in Third World countries, in Africa, Asia, Latin America and the Caribbean.

A sample of the possibilities this kind of arrangement entails has been provided recently by the Kennecott Copper Corporation, whose holdings in Chile were nationalized by the Allende government.

When Kennecott and the government began to discuss compensation for the takeover, the calculations were fairly straightforward. The Chileans thought that a "fair return on investment" for Kennecott was 12 per cent a year. Since Kennecott had a return of more than 100 per cent on its investment in the country in some recent years, the government presented a bill for \$410 million in excess profits. This exceeded the value of Kennecott assets by some \$90 million. Ergo no compensation for the takeover.

But back home, there were some people who counted a different way. The U.S. government, after pressuring Allende to compensate Kennecott, was left holding the bag. Its Overseas Private Investment Corporation (OPIC) has so far handed over \$66.9 million to Kennecott, as payment of its investment insurance. This nearly bankrupted OPIC, and financed Kennecott for further speculative adventures elsewhere, with the assurance that the American taxpayer will pick up the tab when its adventures misfire.

Thus it is particularly unerving to find that in 1970 the Canadian counterpart of OPIC, the EDC, upped its maximum coverage for political risks from 40 per cent to 95 per cent.

The EDC is now taking the initiative in extending this sort of help to the riskiest ventures undertaken by Canadian-based (but often foreign-owned) corporations. The stage has been set for the Canadian government to clash with Third World countries in their efforts to control their own economies, and for Canadian taxpayers to foot the bill for the speculations of multinational corporations in divers parts of the world.

'I haven't been to Sao Paulo, but I've taken \$1 million out of there in the last 3 years.'

The firm that became Brascan in 1969, was born as Brazilian Traction, Light and Power Company in 1912.

Brazilian Traction was a holding company, typical of a pre-war merger movement in which grandiose corporate structures were built by a whole new generation of avid promoters in Toronto and Montreal. Brazilian Traction was a combination of several firms operating tramway and electrical utilities in Brazil, which began when a group of Canadian financiers created the Sao Paulo Tramway, Light and Power Company, Limited in 1899.

Brazil may be a long way from Toronto, but the profitability of street railways and hydro-electric distribution made Sao Paulo's trams a logical next step for the people who'd just given us Canadian General Electric, the Winnipeg Electric Street Railway Company, not to mention the Lindsay, Bocabaygeon and Pontypool Railway.

The opportunity was brought to their attention by an American electrical engineer, B. F. Pearson, who had been called to Nova Scotia to trouble shoot at another of the promoters' projects, the Dominion Coal Co.

Pearson had heard about concessions for Sao Paulo tram-

ways that were begging for purchase, and an apt adviser at Dominion Coal told him to hop up to Toronto and meet the financiers.

The key man was Edward Rogers Wood. Wood, a one-time telegraph operator in Peterborough, who was general manager and later President of Dominion Securities of Toronto, one of a growing group of bond houses which flourished in the heady days when Canada was getting its second and third transcontinental railways. The Toronto *Globe* called him "the undisputed interpreter of our relations to other countries as a bawler."

Wood brought together some friends. There was Mr. Frederic Nicholls of Canadian General Electric and the Toronto Incandescent Electric Light Co., who counted among his achievements being vice-consul for the Republic of Argentina, and a director of the Havana, Cuba, Electric Railway company, and the Toronto & Mimico Electric Railway.

Street railways were part of the history of William Mackenzie, another friend, but he had bigger things in mind. Together with his partner Donald Mann, and their able legal advisor Zebulon Aiton Lash, Mackenzie was parlaying some disconnected railway holdings in Canada's booming west into a new transcontinental, the Canadian Northern.

As economist Frank Park put it some years ago "The ingenious idea was to finance on government advances and on the sale of government-guaranteed bonds while the promoting group kept all the common stock (absolute ownership and control) in return for 'services rendered'." Mackenzie went on to become the first chairman of Brazilian Traction.

Before long even Colonel Sir Henry Mill Pellatt, broker extraordinaire, whose magnificent pile Casa Loma so tastefully dominates the warehouses of central Toronto, became involved. One of the 23 men who were, according to the Montreal *Standard*, at the "basis of Canadian finance", Pellatt cultivated an imperial mien, and was once called "The Cecil Rhodes of Canada".

Behind them all stood the very practical personality of the Hon. Senator George Albertus Cox, another former telegraph operator from Peterborough. Cox was the owner of Wood's firm Dominion Securities. He was simultaneously president of the Canadian Bank of Commerce, the Canada Life Assurance Company, the British American Assurance Company, the Western Assurance Company and the Toronto Savings and Loan company. He set up Imperial Life for his son, and with another Peterborough "old boy", Joe Flavelle (later Sir Joseph), ran the National Trust Company and took control of Robert Simpson's retail empire.

It was from Cox's insurance interests — which also for a time included Manufacturers Life, that the money came to float the bonds to invest in Sao Paulo. The enterprising Toronto life insurance men were already selling policies in the U.S., the Caribbean, South America and Asia, and in



Current Brascan president Jake Moore (L), with Antonio Gallotti, vice-president of Brascan and president of the Light

a period of low interest rates in turn-of-the-century Canada were willing to invest the Rev. Pettigrew's carefully accumulated premium payments almost anywhere for quick and high return.

The atmosphere was summed up by Sir William Mackenzie around 1905, when his enthusiasm for building a railway to Hudson Bay was questioned on the grounds that he'd never been there. Mackenzie quickly replied: "I haven't been to Sao Paulo either, but I've taken a million dollars out of there within the last three years." So in 1899 the Sao Paulo syndicate was formed, in 1902 an interlocking group started the Mexican Light and Power Company, and in 1904 they moved into Rio de Janeiro.

The \$10 million that the entrepreneurs invested in Sao Paulo Light in 1899 grew to more than \$1 billion in assets sixty years later. The intervening story is punctuated by successive take-overs and absorptions of related firms.

A Belgian gas company and some Brazilian and British tramways were combined with a German tram and telephone company to form Rio de Janeiro Tramway, Light and Power. A Sao Paulo telephone company was next, and it was linked with the Rio system.

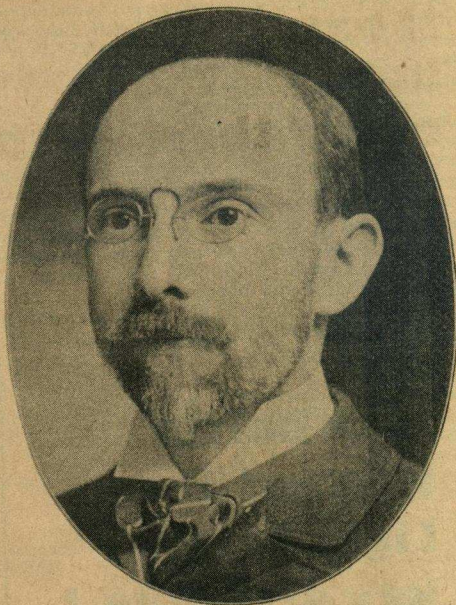
Gas production and distribution were taken on in 1912 when the British-chartered Sao Paulo Gas Co. was acquired. In 1929 virtually total control of the public utilities of the port city of Santos was acquired: tramway, light, power, gas and water.

The company had to reach a bit for tactics in feeding this expansion. To extend the time limit on its original telephone concession in Sao Paulo from 1950 to 1990, the company engaged a former president of Brazil, who fought the legal battle for it through several judicial levels up to the Supreme Court where in 1923, the judges — appointees of that ex-president — extended the concession, contrary to the stipulations of the original contract.

One of the largest new plants built by the company — at Cubatao — was built at a location outside their original concession. Exploration studies were carried out by a reconnaissance engineer disguised as a naturalist. In Rio the company was able to prevent the construction of a competing electrical facility through political influence and straight bribery.

Brazilian Traction became the largest single corporation in the industrial heartland of Brazil. Its development paralleled the distorted development of the Brazilian economy — or what we'd call "regional economic disparity."

Canadian capital had been attracted to Sao Paulo because of British capital before it. The British had opened up the interior of south-central Brazil (just as the CPR opened up the Canadian northwest) with a railway from Santos on the coast to Sao Paulo in the interior. In 1867 this Sao Paulo railway began feeding coffee out of the interior to exporters' ships. It was the planters who wanted their towns adorned with modern electric devices and who dealt with the foreign entrepreneurs, and as the old families got interested in small industry their interest in development of energy sources, electricity and gas increased. Brazilian Traction began existence



E. R. Wood, founder of Brazilian Traction

in alliance for mutual benefit with this class of Brazilians.

When urban labour started making demands on Brazil's new industrialists, Brazilian Traction was on the front line of defence. The pressures of wartime inflation, long hours, and child labour led to general strikes in Sao Paulo in 1917. In 1919, when Canadian workers for similar reasons were battling employers in Winnipeg, a general strike broke out in Sao Paulo, touched off by a sympathy strike for a walkout by workers at Brazilian Traction's "Light" plants.

The position of Brazilian Traction as an employer has been very significant in Brazil, although it employed only a few hundred Canadians. At its height in the early fifties, the roster of Brazilian employees of the company stood at 45,000, although it claims only 25,000 today.

Brazilian Traction was related to almost every new initiative in central Brazil's industrial development, and in 1941 it added Brazil's proud new national steel plant at Volta Redonda to its customers. After the war, it was the first company in the world to get a World Bank loan, and now holds Bank credits of more than \$120 million.

While the company profitably fed energy to Brazilian manufacturers, until the late sixties its own buying habits were foreign, and particularly Canadian. A former employee related that when a large new transmission line was begun in 1944, all materials — black steel, three million feet of aluminum cable, insulators, fittings — were purchased in Canada. Foreign aid specialist Clyde Sanger told in 1969 about the huge Canadian General Electric motors, the CGE and Westinghouse generators at Cubatao purchased with World Bank money, pumps and transmission equipment.

Brazilian Traction buys less of this equipment in North America now because most of the new generating construction is initiated by the government. Instead of World Bank loans helping the Canadian-based firm to buy from CGE, it's now the Canadian government's loans and credits which encourage Brazil's government to shop here.

The profitability of the basic company operations, while suffering in the depression and again in the early sixties, has been considerable. Between 1918 and 1947 profits totaled \$550 million, and of that some \$165 million was sent home. In the ten-year period 1943-52, repatriated profits totaled over \$132 million, with per-share earning as high as \$4.70 in 1950. In 1969 the company was averaging an annual withdrawal from Brazil of \$17.5 million for dividends in Canada, the U.S. and Europe. At that time they were paying no corporate tax to the Canadian Government.

'The battle against the Light is the key struggle.'

Brazilian Traction's empire has altered its base in the last twenty years, in part for obvious reasons of profitability, and also because of pressure from Brazil's federal government.

Talk of nationalization has periodically sent shivers through the stock holders here in the north. While Getulio Vargas, Brazil's most famous president, made moves toward taking over power generation for the state, it was Juscelino Kubitschek who in the late fifties expanded the role of the federal power agency, Electrobras, to the point where it was building virtually all new generating facilities. Brazilian Traction maintained its already constructed facilities, began collaborating in the expansion plans of state power corporations, and by 1968 was buying almost 40 per cent of its power needs from state generators.

The company has also moved to divest itself of those utility properties no longer as profitable as they once were. It discontinued bus service in Santos in 1937, sold out its tramways in Sao Paulo in 1947, and got rid of its last tram holdings in Rio in 1963. The telephone system became a *cause célèbre* in the early sixties, threatened with nationalization when the government of Joao Goulart held office, and nationalized with generous compensation after it fell. And thereby hangs a tale.

The Light — as it's been called in Brazil — has always

had a strategic importance in Brazilian politics. A few years ago, old-guard Communist leader Carlos Prestes issued a manifesto, declaring: "The battle against the Light is the key struggle. If we break the Light, we break the source of power for industry, and, more important, we break the backbone of private enterprise in Brazil."

Given the size and strategic significance of Brazilian Traction, it isn't surprising to find the reformist Goulart government making tentative moves toward nationalization. In April 1962 Henry Borden, then president of Brazilian Traction, observed wryly: "The suggestion that the Brazilian government might acquire ownership of foreign-owned public utilities in that country is understandable for many reasons."

Some nationalist state governments in Brazil had already expropriated American utility firms. In September 1962 Goulart's Profit Remittance Law placed a limit of 10 per cent of registered capital on the annual remittance of profits of foreign-owned corporations. Remittances on royalties and technical fees were limited to two per cent of gross annual receipts for goods manufactured or sold. The pressure was on foreign corporations, and Brazilian Traction felt the squeeze. In 1961 and again in 1963 dividend payments on ordinary shares were nil. Net income dropped from \$16.7 million in 1960 to a loss of \$1.3 million in 1963. Stock prices, which had been as high as \$13.50 in the early fifties, clanked down to \$1.90 in early 1964.

During 1963 and early 1964 northern stockholders shivered in the insecurity surrounding Brazilian's holdings. Long discussions were held with state governments in Brazil about nationalization of telephone and gas subsidiaries. The gas subsidiary in Rio de Janeiro found itself "intervened" by the state government for the gathering of information and statistics. The company fought with Goulart's federal administration for permission to raise rates, while reporting that there was at least \$8.5 million in accumulated profits in Brazil that could not be repatriated to Canada for lack of dollar exchange in Brazil. In June 1963 negotiations between Brazilian Traction and Goulart broke down.

No wonder corporate executives in Toronto and New York became impatient. They looked with favour and anticipation on the middle-class and executive families who took to Sao Paulo's streets with anti-Goulart placards early in 1964. They backed U.S. policy which had already virtually cut off all foreign and financial aid to Goulart, and refused aid to state governments which had nationalized utilities in the early sixties.

Corporate executives seemed to agree with Grant Glasco, the new Brazilian Traction president, when he remarked "More and more, the various agencies of the government were infiltrated by extremists, many of whom were Communist-inspired and directed."

Then, to the delight of Canadian investors, the constitutional government of Goulart was overthrown in a sudden military coup, in April, 1964. John Williams of Massey-Ferguson fussed the issue by saying that "the new president is a military man, but this isn't a military dictatorship". And Grant Glasco chimed in: "The new government of Brazil is ... made up of men of proven competence and integrity. The President, Humberto Castello Branco, commands the respect of the entire nation."

Some clue to Glasco's respect may be found in the fact

IN CANADA



Assets (1971 value: \$135 million) in beverages, industrial products, consumer food products, oil and gas exploration, retailing and wholesaling, etc.

Subsidiaries:

- John Labatt Limited (32%), London, Ontario
- Beverage Sales Ltd., St. John's
- Bavarian Brewing Ltd., St. John's
- Gaden's Ltd., St. John's
- Oland's Breweries Ltd., Halifax, Saint John
- La Brasserie Labatt Ltée., Montreal
- Labatt's Breweries, Ontario, Manitoba, Saskatchewan, Alberta, British Columbia
- Labatt Importers Inc., Buffalo, N.Y.
- Kiewit-Pelissier Breweries Ltd., Winnipeg
- Chateau Cartier Wines Ltd., Toronto
- Normandie Wines Ltd., Moncton
- Schwarz Services International Ltd., Mount Vernon, N.Y.
- Chateau Gai Wines Ltd., Toronto (since 1972)
- Ogilvie Flour Mills Ltd., Montreal
- Ault Foods Ltd., Winchester, Ont.
- Industrial Grain Products Ltd., Montreal, Thunder Bay
- Delmar Chemicals Ltd., Montreal
- Catelli Ltd., Montreal
- Catelli-Habitant Inc., Manchester, N.H.
- Catelli-Primo Ltd., Port of Spain, Trinidad (since 1972)
- Laura Secord Candy Shops Ltd., Toronto, Montreal
- Smiles 'n Chuckles Ltd., Toronto
- Manning's Inc., San Francisco
- Chef Francisco Inc., Eugene, Oregon
- Parnell Foods Ltd., Toronto, London

- Mikas Oil Co. Ltd. (100%)
- Elf Oil Exploration and Production Canada Ltd. (15%)

Hudson's Bay Company (7%)

Other assets and investments

Brascan
LIMITED

An investment managing company, incorporated in Canada

Net income for 1971: \$83.9 million — ranked fourth in Canada by the Financial Post; ahead of General Motors, behind Inco

Assets in 1971: \$1.2 billion — ranked seventh in Canada by the Financial Post; ahead of Gulf, behind Seagram's

Operating revenues for 1971: \$425 million — ranked 22nd in Canada by the Financial Post; ahead of Texaco, behind IBM

IN BRAZIL

Assets (1971 value: \$1,003 million) in transmission and distribution of electric power, investment banks, food processing, nylon yarn, railway rolling stock, acoustic tile, hotel construction, linen goods, etc.

Subsidiaries:

- Light Serviços de Electricidade S.A. (83%)
- OEG (Organizacao e Empreendimentos Gerais S.A.) 100%
- TOP (Empresa Tecnica de Organizacao e Participacoes S.A.) 100%
- Banco Brascan 100%
- Fabricas Peixe 92%
- Celanese do Brasil S.A. 45%
- FNV (Fabrica Nacional de Vagoes) 35%
- Eucatex S.A. 12%
- Garcia S.A. 19%
- Brink's S.A. 49%
- Swift-Armour S.A. 92% (since 1972)
- Gavea S.A. (since 1972)
- Other assets and investments



that shares of Brazilian Traction went from \$1.95 on April 1 to \$3.60 on April 3.

Brazilians who did not share Glassco's respect for the new military regime were rapidly swept out of the way, into exile or prison. As stories of repression and torture of opponents of the regime began to leak out of Brazil, even the Toronto *Globe and Mail* was moved to reproach Glassco for his unequivocal admiration of the regime.

While the *Globe* may have felt uneasy about the end of constitutional government in Brazil, and the wave of repression which followed it, Glassco had more powerful friends who saw things his way.

Twelve hours after the military took power, U.S. President Johnson sent his "warmest wishes", and a pledge of "intensified co-operation". The next day, Secretary of State Dean Rusk implausibly hailed the military coup as a move to insure the continuity of constitutional government.

Overseeing the new-found hospitality to foreign investors was the former Brazilian ambassador to the United States, Roberto Campos, the new Minister of the Economy. Campos had been a Brazilian representative on a joint commission with the U.S. which had overseen new infrastructural projects and aid planning in the early 1950s.

He was willing to pay the American and Foreign Power Corporation twice as much as Goulart had offered for its utility holdings. He had spent his time in Washington negotiating unauthorized high prices for these utilities. He came to his reward when he joined Lester Pearson on the World Bank's commission on development plans in the late sixties.

Under Campos, all kinds of foreign-owned corporations surged back into Brazil. The profit remittance limits were removed although companies were encouraged to reinvest in new industries in Brazil. Strict limits were put on labour unions, and wage increases held below price increases in a tight deflationary approach.

Private foreign firms were invited back into resource and industrial areas where Kubitschek and Goulart had set up public initiatives. Hanna mining, Bethlehem Steel and Brazil's steel baron Augusto Antunes moved into Brazil's richest iron ore deposits, into manganese, and projected a huge new port development through which to ship ore exports abroad. Early in 1965 the World Bank came through with \$80 million in credits to finance hydroelectric developments which would service this new private resource initiative.

The *Financial Post* reported that Canadian investors had high hopes for the new regime: "Irresponsible strikes are outlawed, and unions are being freed of political control . . . the government is also encouraging foreign investment . . . the new government . . . promised to establish a favourable atmosphere for industrial expansion through private enterprise." Brazilian Traction could report new rate agreements, and a new receptivity for loans and credits for its own expansion. In October, 1965 the United States Agency for International Development (AID) announced a \$40 million loan to Brazilian Traction. Knowlton Nash told *Financial Post* readers "The possibility of 'take-over' with little compen-

sation is relatively remote for the present."

But take-over with ample, even generous, compensation was in the cards: take-over of Brazilian Traction's sadly obsolete telephone subsidiaries, which faced the need for investment of \$450 million just to service the very large backlog of unfilled applications for phones. No wonder the utility business paled before new opportunities for profit.

To engineer the transfer from a dead issue like the telephone company to more attractive fields in textiles, food processing and mining required the talents of Campos, Glassco and the administrators of U.S. aid programs.

During John Kennedy's presidency, Robert Kennedy had gone to Brazil to convince administrators that generous payoffs for nationalized ITT properties would not hurt Brazil, since they could be taken from U.S. aid funds. Campos, at least, agreed. Once in office, he re-opened negotiations regarding the Brazilian Traction telephone subsidiary, and agreed to a take-over of \$96.3 million, payable over twenty years at six per cent interest. \$10 million in quarterly instalments was to be paid right away, and of the remaining \$86 million the company agreed to reinvest 75 per cent in Brazil over the 20 years following. The money's source was the Alliance for Progress. American critic Simon G. Hansen commented:

"When the military seized the country, the shares of this company [Brazilian Traction] were selling at less than \$2.00 per share. Its rates were raised, at a time of general suffering among labourers in Brazil, so that the Company earned a fantastic \$1.13 per share in 1965. In addition, the Brazilian government agreed to purchase a small share of its properties for a price so high that it amounted to \$5.90 per share. Understandably the stock rose five-fold. It was a speculator's dream, a once in a lifetime adventure, courtesy of the Alliance for Progress."

By the late 1960s, Brazilian Traction was transferring back to Canada more than \$17 million in dividends alone. In 1968, profits totalled \$59 million, compared to a net loss in 1964. When Robert Winters, president at the time, was asked by a *Globe and Mail* reporter for the reasons behind this change, his response was simple: "The Revolution."

Winters' support of the military regime survived the "second coup" of 1968, in which the Brazilian military dismissed the already virtually powerless Congress and declared martial law. Winters told the business press that he was "undismayed" by this latest wave of repression. "Economically," he said, "things are not worse than before. In fact, the situation is getting more stable."

The windfalls brought to it by international and U.S. aid funds and by the military in Brazil gave Brazilian Traction a new lease on life. It began buying out food-processing and textile operations in Brazil, and used that new flow of profits and fees to save Labatt's and Laura Secord from "foreign" ownership, right here in Canada. The base and strategic situation of the company in Brazil has been broadened. It has been a key participant in a "denationalization" process in Brazilian industry which would make the worries of Walter Gordon and Mel Watkins pale.

Included in its Brazilian assets now is a 49 per cent share in Brink's, the security transport company. And in this past year, it provided financing for a new luxury hotel, the Hotel Intercontinental Rio, which will be putting up \$15 million of steel and concrete along the beautiful Gavea Beach. The 16-storey hotel, with 500 air-conditioned rooms, will provide a ballroom, shopping arcade, olympic-size swimming pool

The parallels between Henry Borden and Hermann Abs are striking.

Each was born in 1901 in privileged circumstances. Each quickly rose to a position of influence in his native country. During World War II, each made a significant contribution to his country's war effort — on opposite sides.

And both today sit on the board of directors of Brascan. Borden is a nephew of Sir Robert Borden, who was like a father to young Henry, and in 1918 the then Prime Minister of Canada took the boy to the Imperial War Conference in London to meet the British elite. Afterward, Henry took up law, and by 1936 was able to found his own law firm, Borden, Elliot, Kelly and Palmer.

A year earlier the Deutsche Bank, the most important bank in Germany, had appointed Hermann Abs head of its foreign division and a member of its board of directors. This was 1935, and Adolf Hitler's rearming of Germany, in which the Deutsche Bank played a key financial role, was beginning in earnest.

When war broke out in 1939 Henry Borden offered his services to the Canadian government. Among the positions he occupied over the next six years were general counsel for the department of munitions and supply, co-ordinator of controls for the department of munitions and supply and chairman of the Wartime Industries Control Board.

The Deutsche Bank after 1939 was one of the chief financial backers of the German war effort. Hermann Abs occupied, aside from his important position within the Bank, a seat on the boards of directors of some twenty

companies, many of them involved in war industry and using forced labour. He was also a member of the "Russia Commission of the German economy," which drained the occupied territories in the Soviet Union to help finance the war effort.

After the war, a Yugoslav tribunal sentenced Abs to 16 years of hard labour as a war criminal, but he served a total of only 90 days in prison for his wartime activities. Upon his release he became a financial adviser to the British and American occupation authorities, and later virtually the unofficial minister of finance of the fledgling Federal German government.

When the Deutsche Bank, dismantled after the war, was reorganized in 1957, Abs became its president. He led it through an unparalleled period of growth for ten years until he shifted upstairs to become chairman of the board in 1967. Along the way he picked up 29 corporate directorships, among them a seat on the board of Brazilian Traction, Light and Power, as Brascan was known then, in 1965. Abs's stake in Brascan is 5,000 shares, or roughly \$100,000 — fairly modest, but enough to be worth a little bit of influence.

Henry Borden came to Brazilian Traction in 1946 as president, a position he held for the next 17 years. He was chairman of the board for a further two years, and is still a director and member of the executive committee.

Borden also holds a large number of other directorships, including Bell Canada; IBM Canada; Massey-Ferguson; Rio Algom Mines, a Canadian branch of the British-owned Rio Tinto Zinc empire; and Brinco, the Rio Tinto-controlled company that developed the Churchill Falls power complex in Labrador. In the late fifties he was chairman of the federal Royal Commission on Energy.

Both Abs and Borden now have long, full lives to look back on. It would be nice if during Brascan board meetings they sometimes get a chance to talk over old times.

and two tennis courts, presumably for the use of the mass of Brazilians.

While Brazilian profits are ploughed back into this sort of "development" project, the Brascan group is raising \$20 million on the European bond market, through Baring Brothers and its old German ally, Hermann Abs of the Deutsche Bank (see box). And its international operations are now extending into a trading network, headquartered in the Toronto operation of Aegis Marketing, which has opened offices in London, New York, Tokyo and Rio. This operation will promote product transfer among Brascan subsidiaries in different countries, and is hopeful of moving into the rich commodity markets, such as shoes and orange juice, which will link Brazil's new "economic miracle" ever more firmly to the major industrialized economies.

With four fifths of its assets in Brazil, the company is draining out sufficient profits to finance its expansion in Canada. The most recent of its acquisitions is Chateau-Gai Wines, and it appears to be moving heavily into food processing and oil exploration in the north.

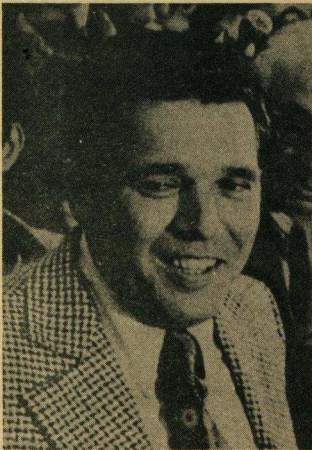
Diversification. That's the key. It's the path of the real, live multinationals in the States. Of companies like Kennecott, Sears Roebuck, Grace and Company, all of whom have delegates on the Brascan board. And even if more than 50 per cent of the shares are held in the United States, according

to recent estimates, the pose of being "Canadian" can be used to gain Ottawa's help in breaking into the international big time.

The growth continues, as long as the core of the company's operation, the mammoth Light complex in Brazil, remains untouched. A 1972 study by economist Walter Ness shows that the Light is still the largest private enterprise in Brazil. In a report to investors in 1971, Wood Gundy Securities put the question very clearly: "The link between economics and politics is very real in Brazil . . . As the largest private company in Brazil, and one that is foreign owned, the treatment of LIGHT by government authorities will be indicative of the general attitude towards foreign capital. Foreign capital has been given fair treatment and we see no reason to suggest that this will not continue."

As long as the military keeps grinding on with its foreign-dominated "economic miracle", profits and power will keep accumulating in the hands of executives of the Light, and draining out to Canada. As a Brascan executive said to the Toronto *Star* last year, "We would have been nationalized long ago if we were in any other Latin American country".

One wonders if this sort of enterprise would have been nationalized long ago if it were in Canada.



Barrett in B.C.: Where's the hurry?

by Dennis Forkin

Perhaps too much is always expected of a new government, such as Premier Barrett's in British Columbia. But the first signs of impatience are now emerging because of the slow pace of reform legislation.

The widespread expressions of elation gripping much of B.C.'s populace following the Social Credit defeat last August, if not entirely objective, were at least predictable. True, not everyone scaled the peaks of euphoria with the enthusiasm of *Vancouver Sun* columnist-guru Bob Hunter, who opined as how this was kind of "revolution" — the sort which can be accomplished "with the stroke of a pen" on a ballot (and presumably unaccomplished with another stroke).

But if the public utterances of labour leaders were rather more restrained than those of Mr. Hunter (he tends to find revolution in such disparate objects as capsules and organic potatoes), one understood that they had been more accustomed to the lead weight suits of 20 years of accumulated anti-labour legislation than had the buoyant Bob.

Even so, most labour bosses agreed with the prognosis of International Woodworkers of America Western Regional President Jack Moore. "I'm sure a lot of adverse legislation that has gone on the books will come off them shortly," he commented on Sept. 1. "Mr. Barrett will do the things he promised before the election. He'll take away Bill 33 (The Mediation Commission Act)."

Not all rank-and-file workers seemed as convinced as Mr. Moore (who was fighting an election at the time), and the leaders closest to their membership expressed some doubts. Tommy McGrath, local president of the Seamen's Union, remarked "The fact is that the leadership of the B.C. NDP has a reputation for being anti-labour . . . I think the whole outlook of the NDP right now is to build a "spirit of co-operation" (between management and workers) . . . There is no co-operation. It's a matter of conflict." McGrath is well known as a man more inclined to heed the laws of gravity than Hunter; just five months later his predictions have proven disconcertingly accurate.

The new government had inherited the most repressive, cumbersome, and unworkable set of labour laws in the nation, and since the NDP in opposition had fought each outrageous bill as it appeared, it was not unthinkable that the NDP in government might remove them. Barrett himself added fuel to such speculation as late as Sept. 15, stating on the occasion of his swearing-in that William King would bring in a "totally new labour bill" in the winter session. He further asserted excitedly that Mr. King would be the finest labour minister in the history of the province, a rather considered superlative when one takes into account the qualities of his predecessors.

Mr. King, for his part, maintained a lengthy and discreet silence, apparently basking in the media penchant for describing him as "mysterious". In response to questions of import (or to irreverent suggestions that he was really more unfamiliar with his job than unfathomable), he consistently replied that all would be revealed "in due time".

Certainly he had much to acquaint himself with; the anti-labour bills of the Secreds were many and varied. There was Bill 42, an amendment to the labour relations act prohibiting union dues being used for political purposes. There was the Trade Union Act, Bill 43, restricting picketing to places where unions were on strike or locked out; it also made unions subject to damage suits and liable for the actions of their members. There was Bill 123, prohibiting the picketing of government offices. Finally, there was Bill 33, the Mediation Commission Act. This crowning piece of labour strait-jacketing included sections allowing the cabinet to prohibit strikes where it saw fit, having the three man mediation commission hand down binding decisions in labour disputes. It also denied civil servants the right to strike. Organized labour naturally expected the new government to strike down Bill 33 immediately.

But hopes for an early end to Bill 33 were dashed in the October legislative session when King was given the powers that formerly lay with the mediation commission — nothing else changed. Mr. King, it transpires, doesn't wish

to be hasty. He wants labour laws to be reviewed by a commission of inquiry (not yet named). "Everybody should have a chance to register their position", he pronounced on Jan. 15.

Since then, Premier Barrett has announced his intention to join labour and management in holy wedlock — a "marriage between equal partners".

Meanwhile, King has delayed any new labour law changes for at least 18 months; at most, the winter session might review the prohibition of government employees' strikes (King is currently "studying" the ten-year-old Carrothers Report advocating such a move).

He has, however, lately expressed concern over "worker alienation". At a press conference on Nov. 10 he displayed his depth of perception. "We have seen the dairy industry come up with music in barns and find that this increases the production of milk from milk cows," he philosophized, "and I think it is rather ironic that we have done very little to find out what might make the work force happier in the plants."

The minister has taken the bull by the horns.

If the potentially inflammable labour situation has induced considerable governmental concern, the question of a Department of Women's Affairs has given the new Premier a few anxious moments as well. Ever since the election, there had been talk of such a ministry among certain segments of the Great Unwashed, not the least of which were various women's groups. The idea was lent much credibility by the notably high calibre of new women MLAs. To be sure, no official word on the subject had been received from the busy Premier, but many delegates to the November annual NDP convention were surprised at the vehemence of his opposition to the suggestion when he finally spoke out on it.

The occasion was the passing of a motion on the convention floor calling for the establishment of a department of women's affairs to be headed by a woman cabinet minister "after consultation with the women's committee of the NDP". The usually jolly Premier was decidedly unhappy. "What are we going to have," he expounded, "a ministry of men's affairs and a ministry of women's affairs too? I believe in people, a ministry of people." Certain reporters, apparently unimpressed by the nobility of that sentiment, kept insisting the convention had voted that such a department was necessary and should come into being during the winter session. Barrett responded: "This is not a high priority for the government . . . The convention sets the policy, the political arm of that party sets the priorities." The day following the women's vote, convention chairman David Stupich managed to prevent other controversial motions such as nationalization of MacMillan Bloedel, B.C.'s largest corporation, from coming to a vote.

Delegates called for establishment of a department of northern affairs (which caused Mr. Barrett to bubble joyously) and a department of the environment (the Premier has indicated his deep concern over environmental issues such as energy waste by repeatedly urging citizens to shut off lights when they aren't using them), and for fare-free public transit for Greater Vancouver.

The convention members did not spend much time on education, but then they didn't really need to. Under the competent leadership of Eileen Dailly, it appears the education field may well be one of the pluses of the NDP administration. Already she has restored the confidence of teachers throughout the province with her announcements of increased flexibility

in funding and the return of collective bargaining rights to teachers. If she is able to carry out her major proposals, the face of education in B.C. will be radically altered. She has proposed mandatory public kindergartens, the possible integration of day care facilities into her department, and basic curriculum changes, including leaving the choice of textbooks to school boards, de-emphasis of grading, and innovation in the classroom. She reportedly looks favourably on the motions passed by delegates at the convention calling for abolition of tuition fees at all public educational centres under government jurisdiction and for faculty, staff and students to share equally with community representatives in decision-making at B.C. universities.

The heaviest, if not most admirable, area of activity of the new cabinet has, however, been in other areas of social policy. Old age pensions, through a complex federal-provincial equation involving several supplements, have now been set at \$200 a month minimum. The increase had long been an integral element of NDP provincial policy and any renegeing or even footdragging would have precipitated a political storm. The events subsequent to its passage were therefore all the more illuminating. As with all pension increases there were avaricious landlords all too ready to gobble up the boost by raising rents for those on pension. Tenants' organizations immediately warned the government of this possibility and urged a rent freeze for senior citizens. Norman Levi, the Minister of Rehabilitation and Social Improvement, demurred; he would consider a rent freeze if the situation became serious enough but, in the meantime, he merely threatened to publish the names of those landlords who clearly took advantage of the pension increases (in the official government gazette amid the highway construction tenders, one wondered?). In the end neither action was taken and some pensioners were stripped of much of their increase.

Also passed at the emergency session last October was the promised "immediate increase" of the minimum wage from \$1.50 to \$2.50 per hour. The difficulty was that, while the bill was passed quickly, the raise in rates was dispersed over almost two years. The new rate was only \$2.00 an hour and workers would have to wait until June 1974 for the minimum wage the New Democrats had promised as an immediate right.

Similarly, reform of the antiquated B.C. liquor laws to introduce live entertainment in beer parlours and to establish neighbourhood pubs and taverns was declared "low priority" and thereby shelved indefinitely. The NDP has, however, reintroduced the Sacred-banned Plimsoll line on beer glasses, guaranteeing the patron a full measure (your correspondents discover political virtue in unlikely places). And, oh yes, they also repealed the Sacred ban on liquor and tobacco advertising except for billboards.

The winter session began Jan. 25 with a seven-minute 16 paragraph speech remarkable for how little it said. In it were promised the traditional NDP auto insurance package, 1000 more civil servants, a provincial bill of rights, a reformed land policy and reforms within the legislative process.

Mr. Barrett emerges as less of a man in a hurry than everyone thought.

Dennis Forkin contributes regularly to the Last Post from British Columbia.

Establishment is a mangy word

By CAROLE ORR

"Establishment" is one of those mangy words left over from the sixties and the infantile left, a term that should never have been coined and, since it was, should now be replaced with specifics. In the context of English-Canadian theatre, establishment usually refers to some form or other of liberal nationalism, which is a peculiar politics usually found in the table scraps of the early nineteenth century.

The sixties also produced a response to the liberal-nationalist theatrical establishment, which led to the formation, in 1970, of the Playwrights' Circle, a group of writers dedicated to the dissemination of their own work — justifiably, since at that time virtually none of the major theatres in the country were producing native drama. The Circle caught on and the situation has improved, at least quantitatively.

Still, no one is satisfied. The lines that were drawn in the sixties are still there, blurred by a few wavering footprints, and the Canadian All-Stars face off once more with the Establishment Fogies. Evidence of this continuing contest can be found in recent issues of *That's Show Business*, the latest of the trade papers. The debate is not always on a high level.

TSB's theatre critic, David Gustafson, wrote in the November 15 issue:

"Bill Glassco's complaint [Glassco is founder and artistic director of Tarragon Theatre in Toronto], against the [Canada] Council is that some of the Establishment-Regional theatres are receiving \$7,000-\$20,000 in government subsidy to put on stock productions of finished scripts like *Creeps* and *Leaving Home*. When Glassco spent 4-6 months developing each of those scripts at the Factory and Tarragon Theatres there wasn't a penny's support from the Council.

"And during the current season, the four major small theatres in Toronto (Tarragon, Factory, Passe Muraille, TFT) will receive a total of only \$20,000 in federal subsidy, or only one-half the amount given Theatre New Brunswick, one-fifth the amount given to The Citadel [in Edmonton], one-tenth the grant given to Neptune Theatre [in Halifax]. And the small theatres of Toronto will be mounting 28 productions, 23 of which will be original Canadian Scripts. So



Mulcahy wrote a sizzling reply to Gustafson.

Federal subsidy is less than \$1,000/original script, and yet, the Citadel is receiving \$5,000 this year as a special grant to assist in the development of two original plays — that's on top of their regular grant."

Shedding his thin establishment veneer altogether, the artistic director of the Citadel, Sean Mulcahy (pronounced Shawn Mull-ki-yi-yippee-yippee-yay) wrote a sizzling reply to Gustafson, published in the January 10 issue of *TSB*.

"What in God's name is an establishment theatre, regional or otherwise?" quipped Mulcahy. "... Is it meant to describe (in the modern American sense) anyone who wears a tie?

"Oddsfish!" he exclaimed. "I not only wear ties — my



Liza Creighton and Les Carlton in the comedy "Leaving Home".

shirts are tailored for me from white silk — decadent catiff that I am!"

Here we have an indication of the intensity of the feelings involved. Mulcahy will defend his position with the shirt on his back. Logic he will not stoop to. Quite.

Quoting Gustafson's facts and figures he carries on: "Hooray for SEAN!!! But wait a minute — the Citadel's grant is \$85,000 (which includes a \$5,000 assist in mounting of two new plays). There's fifteen grand adrift somewhere. Well, that's life!"

End of argument. Mulcahy goes on to meatier stuff — first shafting Gustafson's production of *The Book of Solomon Spring* ("And I do hope Mr. Gustafson had the thoughtfulness to send Alan Bleiviss a Hanukkah present for saving at least a bit of his keester in that production") and then attacking his critic's bloodlines ("But to me he'll always be the clean-cut young man from the U.S. trying to crash Canadian show-biz").

It goes on like that, the one side saying "We want more money" and the other "Shag off, creep." The collected correspondence would make a rare piece of CanLit. But it does not speak well for the calibre of social unrest in this country.

Mulcahy is right in refusing to engage in the tiresome "establishment" debate, but he and his colleagues have the responsibility to raise the discussion above the playpen level, as much as do their critics. He could, for example, have offered an alternative to Gustafson's terminology, a clarification of the issues. Liberal nationalism is one aspect of the theatre which Gustafson presumably wants to criticize, but the critic is not supposed to bring his politics in to sully the world of Aah, my dear.

It is this tradition of separating politics and culture that has likely done more damage to the development of both artistic culture and art criticism than any other factor. It has encouraged both sentimental art and reflex critics, in the absence of a coherent attempt to place art in its social and political context. Nationalism without intelligent analysis and

perspective verges on fascism, producing mindless patriotism and equally mindless culture, precisely what Canadians supposedly loathe about the United States.

Nationalism in the arts here has had its positive effects: the creation of numerous small theatres doing largely experimental Canadian work in recent years can be directly connected to the political development of the Waffle and other phenomena on the left of the NDP. The sentiments are much the same.

These theatres have been generally in advance of political developments, and certainly in advance of the press: George Ryga's *Captives of the Faceless Drummer*, for all its faults, was nevertheless an improvement over the War Measures Act, and far superior to any coverage in the daily newspapers. In Toronto, Theatre Passe Muraille has consistently attempted to combine a contemporary social and political analysis with theatre, their most recent effort being the highly successful — that is, successful as theatre — *1837* by Rick Salutin, a revisionist history of the rebellion in Upper Canada.

Passe Muraille, like others of its kind across the country, plays to a limited audience, generally dedicated to the theatre and more often than not of left-wing persuasions. But there is no reason, other than the inclinations of those in charge, that *1837* could not be highly successful commercially, in a larger theatre.

It is far more objective than anything our various school systems have produced on the subject. Salutin and other Canadian writers such as Carol Bolt, David Freeman, George Ryga, James Reaney have all been able to maintain political integrity (from mild left to far left, these) while remembering the necessity of being theatrical. They are *fun*.

Winnipeg 1919

The strikers' own history of the Winnipeg General Strike

Edited with an introduction by Norman Penner

An extraordinary document published for the first time — a detailed history of the Winnipeg General Strike, written by members of the organizing strike committee. As well as describing what actually happened during the strike, the distortions and hysteria of what the strikers call the "kept press" are recorded. Accompanying the strikers' history are more than 30 photographs, including a 10-frame sequence of the charge by the RCMP on people gathered in front of Winnipeg's city hall when police bullets killed one man and injured many others.

Paper \$2.95

Publication: March 1

Anatomy of Big Business

Frank and Libby Park
Introduction by Leo Johnson

This classic and still unequalled study, first published in 1962 and long out of print, analyses the structure of Canadian capitalism and the nature of the ties between Canadian corporations and foreign economic interests. Largely ignored when first published, this reprint is a fitting sequel to our 1972 reprint of Gustavus Myers' *History of Canadian Wealth*.

Paper \$2.95

Publication: March 1

James Lewis & Samuel, Publishers

The liberal-nationalist theatres, on the other hand, tend to be either boring, when they go serious, or merely titillating, when they go funny. In all cases, they awaken uncomfortable thoughts of the Committee for an Independent Canada and *Maclean's* magazine. They are the theatrical equivalents of Peter C. Newman.

Suffering from the lack of a solid philosophical base, they seem to have been governed largely by vague theories about the box office. But at some point the theatre has to concern itself with other issues besides selling tickets. The box office

can be one of the more successful opponents of artistic sense, as is so regularly shown at the St. Lawrence Centre, Mavor Moore's Centennial concrete crystal palace in Toronto.

Take this season's production of *The Trial* by Franz Kafka, adapted by André Gide and Jean-Louis Barrault. Kurt Reis's production bravely attempted to combine Kafka's relentless grayness with some of the more popular elements of *Cabaret*, something like doing John Le Carré with Pussy Galores thrown in here and there. The sex interest did not play a part in the original novel, and betrays an effort to tone down Kafka and play up the fun stuff. I doubt if either Gide or Barrault would be amused. In the previous two seasons, Reis played similar havoc with Bertolt Brecht's *Pantula and Matti* (1970-71) and then with another Brecht play, *Galileo* (1971-72).

Both Reis and Leon Major, artistic director of the St. Lawrence, seem to be engaged in a game of double-crossing the audience, who apparently aren't supposed to know when they've been tricked: arrive for Brecht and voila! It's Oscar Hammerstein.

To understand this kind of whimsy, it is useful to have a serious talk with Mr. Major, as did the CBC. Start with theatre ("I like to put on good plays") and proceed to political economy, where the going gets rough. When asked if smaller theatres like the Passe Muraille should be given more money, Major replied that they should only if that did not mean less for the St. Lawrence (the current ratio is something like one to thirty-five).

But, Mr. Major, it would mean less, obviously, since there is a set amount available. "As long as there are people who are dedicated and willing enough, there will always be a small theatre somehow." So do you think it is fair, then that people have to work at, say, the Passe Muraille for \$30 a week, while you sit here earning . . . ?

"As a socialist, no."

But there's no use crying over spilt milk, is there Leon, even for a socialist. That's the way of the world. Stitch in time saves nine. Oh well.

The point to be made here is not so much that Leon Major should have less money. It is that such staggering stupidity should not be in that position in the first place.

In fact, it has been widely rumoured that Sean Mulcahy has his eye on Major's post, having now left the Citadel after disagreements with his board of directors. For all his inadequacies in the debating field, Mulcahy would probably be something of an improvement, as he has at least performed

AT THE THEATRE

MONTREAL

Centaur

453 St. Francis Xavier St 288-1229

to March 3 — double-bill of Tom Stoppard's

THE REAL INSPECTOR HOUND and **AFTER MIGRITTE**

M. Sinenikoff, dir. Joel Miller, dir.

opens March 7 **Autumn at Altenburg**

by Ronald Garrett H. Tarvainen, dir.

OTTAWA



National Arts Centre
Centre national des Arts

Feb 19 - March 3: **PILLAR OF SAND**

by Eric Nicol Malcolm Black, dir.

Feb 27 - March 17: **Shakespeare's THE TEMPEST**

The NAC Theatre Co. Marigold Charlesworth, dir.

TORONTO

Tarragon

30 Bridgman 531-1827

BATTERING RAM

by David Freeman

Tues - Sun 8:30 2:30 Sun Matinee

Theatre Passe Muraille

11 Trinity Sq 366-3376

opens Feb 28: **THE MASTER**

by Phillip Hopcraft
direction by the writer and James Garrard

opens March 21: **PAULINE**

by Carol Bolt Paul Thompson, dir.
Wed-Sun 8:30

Factory Theatre Lab

374 Dupont
please phone about productions 921-5989

opens Feb. 27

at Central Library Theatre (St George & College)

BRUSSEL SPROUTS

by Larry Kardish Martin Kinch, dir.

Global Village

17 St Nicholas 964-0035

to March 3rd

EYES: A GOTHIC MUSICAL by Larry Fineberg

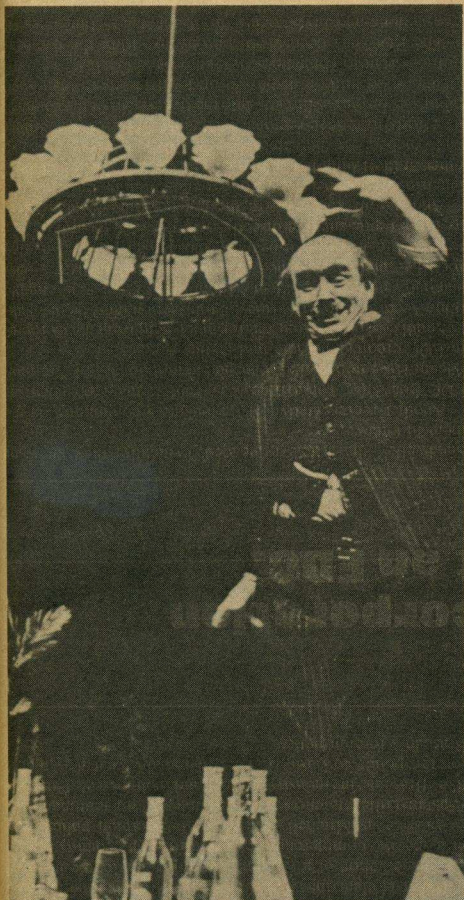
opens March 15

THE BIG APPLE by Elizabeth Swerdlow

Tues - Sat 8:30



"Charlie Brown" at The Citadel in Edmonton.



"Puntilla and Matti" at Mavor Moore's concrete palace.

the remarkable feat of turning the Citadel into a viable public theatre. Mulcahy will produce Charlie Brown, but he will call it Charlie Brown, not Brecht, and he has ventured into the less popular realms once his audience was secured.

This brings up the disagreeable question of theatre as a commercial venture: how far is subsidy justified? Certainly there can be no question that the present system must go — it is feudal to argue that just because you live in a big expensive house you should get all the handouts. But beyond a certain point the gimme-grant mentality is no more becoming to the have-nots. Seize-the-state or some such might be more appropriate.

It is, after all, times of social unrest and political upheaval that are supposed to be the times of the greatest intellectual productivity and daring. Anger and vision produced *The Social Contract*, *Capital*, *Locke's Treatise* and the Little Red Book. As the groundswell builds, the arts catch on.

Historically, the artists have generally foreshadowed overt political consciousness and popular revolt. Avant-garde, as they say. Racine before Voltaire, Tolstoy and Gorky before Lenin.

In English Canada (as usual Quebec is a different story), the arts have traditionally tended to follow rather than lead social developments. This creates problems, especially when the leading social development is liberal nationalism. One of its more unfortunate results has been the phenomenon known as the agonized liberal, who in turn is given to agonizing reappraisals, counting to ten, and other equally productive activities.

Because the liberal nationalist has not been clearly defined, he has been confused with running dogs and other establishment fauna. He is not a running dog. He is, rather, a lapdog.

So in the vanguard of the great Canadian revolutionary platoons march *Saturday Night*, Peter C. Newman, the Trudeau government and the ghost of Joe Greene. In the movies we have *The Rowdyman* (ain't we quaint), *Rip-Off* (ain't we groovy), *Jalna* and now the saga of the RCMP. Or the books: fine novelists and historians such as Marion Engle, Stanley Ryerson and the early Hugh MacLennan must struggle in a morass of Margaret (Retrieval) Atwood, Pierre (Mr. Spike) Berton, the later Hugh MacLennan and of course the American hordes.

In the theatre, the reappraisals, agonizing and otherwise, go on.

Robert Swerdlow, who with his wife Elizabeth founded the Global Village in Toronto, has argued that what the theatre needs is more *producers*, individuals who will ferret out good

new hogtown press publishers and distributors

12 Hart House Circle, University of Toronto
Toronto, Ontario, Canada ■ Tel. 416 - 928-4909

TITLES INCLUDE: Women Unite!	\$3.00
Milton Acorn: More Poems for People	1.75
Clare Culhane: Why is Canada in Vietnam?	1.50
The Day Care Book	1.50
She Named it Canada (2nd Revised Edition) .....	.50
Quebec Teachers' Union Manifesto (Translation) .....	.50
The Communist Threat to Canada (1947) .....	.50
Greg Kealey: Working Class in Late-Victorian Toronto .....	.40
Transformation Magazine .....	.50
Community Schools Magazine .....	.25
People's History of Cape Breton .....	.25
Ernest Mandel: Capitalism and Regional Disparities .....	.25
Danny Drache: Rediscovering Canadian History .....	.20
"W. F. P. Ringle": Political Repression in Canadian History .....	.30
Margaret Benston: Political Economy of Women's Liberation .....	.25
Co-operative Day Care Handbook .....	.20
McGill Birth Control Handbook .....	.10

Bulk rates

Write for our free catalogue
Enquiries welcomed regarding publication
of manuscripts or distribution of books,
pamphlets and periodicals.

work, take responsibility for raising the necessary money, and produce. Most other areas of the entertainment industry, particularly film and music, have found such individuals necessary.

Granted that this has brought us *Face-Off* from the unnecessary John Bassett, Junior. But as long as the free-enterprise fad continues, such things must be dealt with on their own terms. In present company the meek and outstretched hand shall not inherit — or bequeath. John Bassett will. Ed Mirvish will. Something must be done.

The present high mucky-mucks of government and the arts are not in the least threatened by the mild reforms implied in a nationalist movement (let's get rid of the Red Ensign!) and in fact are happy to oblige. If theatre is to have any real vitality, its people must first of all abandon the illusion that nationalism is revolution.

After that, Leon Major and his cohorts might do a little homework in political theory. The National News tells us how awful it all is; we don't need you for that unless you have worked out some possible alternatives. So sign up with Ed Mirvish, do *Arsenic and Old Lace* and let's have fun, but don't tell us you are the social conscience of the country.

Headline in the *Toronto Star*, Insight section, Saturday, January 27, 1973: The War in Vietnam Helped Build Nationalism in Canada.

Hooray.

Carole Orr is a regular contributor to Last Post.

In future issues there will be reports on the state of theatre in Vancouver and Quebec, from our correspondents there.

A barn isn't a barn isn't a ...

by JAMES LORIMER

The Barn: A vanishing landmark in North America by Eric Arthur and Dudley Whitney. McClelland and Stewart. 256 pp. \$25.00

Portraits from North American Indian Life by Edward S. Curtis. Introductions by A. D. Coleman and T. C. McLuhan. New Press. 176 pp. \$25.00

In 1969 — the latest year for which figures are available — Canadian book imports totalled \$144 million. Canadian book exports the same year were 1/29

of that, \$5.5 million.

In the 1870s too Canada was being flooded with foreign books, both British and American. The reaction then — of an aggressive Canadian industrial bourgeoisie — was to try to drive foreign imports out of the market by pirating the most popular foreign authors and selling their books locally at lower prices than the foreign editions.

The most imaginative practitioner of this commercial policy was Alexander Belford, a Toronto publisher who pirated Mark Twain. Belford not only sold his cheap Twain editions to Canadians; he also exported them by mail order to the U.S.

A hundred years later, needless to say, things are quite different. In true continentalist fashion, the federal government has looked at the figures and decided that the balance of trade in books is bad. Their policy: encourage the export of Canadian books abroad, particularly to the U.S. Alexander would scare the pants off Ottawa.

One of the problems with this policy is that the product has to be modified to fit the market. Americans have not been taught that other countries are inherently more interesting than their own, so no one would expect Americans to show much interest in books on rural Ontario architecture or archival photographs of Western Canadian Indians at the turn of the century.

Selling Canadian books to Americans means that Canadian publishers are going to have to publish different books. That is what two of 1972's Christmas coffee table books — *The Barn* by Eric

Arthur and Dudley Whitney and *Portraits from North American Indian Life* introduced by A. D. Coleman and T. C. McLuhan — have in common. They are good examples of the kind of books required by a continentalist marketing strategy in which Canada and the U.S. get amalgamated into that highly ambiguous term North America — imperial America and colonial North.

Portraits from North American Indian Life is entirely American in origin. It reproduces about 80 magnificent photographs from an enormous collection made by Edward Curtis just before and at the time that Indians in the West were

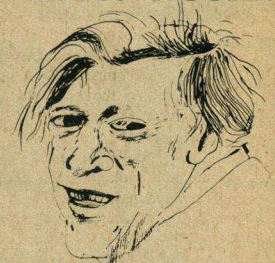
REGINA

SASKATCHEWAN,
CANADA

Regina Community Health Services Association requires doctors interested in innovative preventive health programs. Salary from \$19,000. Direct enquiries and C.V. to:

George Smith, Chairman,
Board of Directors,
C.H.S.A. (Regina),
2260 Rae Street,
REGINA,
Saskatchewan, Canada.

MILTON ACORN



MORE
POEMS \$1.75
FOR PEOPLE

NC PRESS LTD / Box 6106, Terminal A, Toronto

being rounded up and put into reserves. What little text there is has nothing to say about how much of his work Curtis actually did in Canada and how much in the U.S. That might seem irrelevant in terms of Indians, whose own world did not of course include the 49th parallel, but it is of considerable importance in the discussion of what Curtis was doing and why his work was supported officially. He had enthusiastic support from the U.S. Indian affairs bureaucracy, and he was financed in considerable measure by that well-known U.S. "philanthropist" J. Pierpont Morgan.

The only thing that is Canadian about this book is that New Press has its name on it, and is trying to make a little money selling it in Canada. The question about the book is not why it was published in the U.S. by the originating American publisher; it is a perfectly straightforward piece of U.S. publishing. The question is why New Press published it in Canada. Instead of taking on Curtis, New Press could have initiated a book based on photographs dug out of Canadian archives documenting Canadian Indian life in the West before and during settlement. There is, as it happens, no lack of unpublished but fascinating material on the subject, Curtis's Canadian photographs amongst it. Not only does *Portraits from North American Indian Life* partially substitute for such a Canadian book; it also creates at New Press a vested interest against getting involved in such a project, which would of course reduce the market for this U.S. title.

The other side of the implications of continentalist book publishing in Canada is well illustrated by *The Barn*, a book which was entirely conceived, written and published in Canada. Eric Arthur and Dudley Witney have produced a magnificent piece of accessible scholarship which is a homage to popular architecture, architecture without architects, a testimony to the ability of ordinary people to create the structures they need for themselves.

Arthur and White could easily have written their book on the barns of Ontario and Quebec. Instead, they have produced a book on the barns of central Canada — plus the North-Eastern U.S. There is some case for dealing with American barn architecture in the book, since it was a major influence on what was built in Canada, but the U.S. influence becomes part of the book's main subject while other important influences, like the German, Dutch and English, are handled in a way which complements rather than

preempts White and Arthur's main interest.

Focused on Ontario and Quebec, *The Barn* would have had far stronger links with people's interests in Canadian architecture, rural life, and social history. This would also have immeasurably strengthened one of its implicit political points, which is that effort is desperately needed now to preserve fine Canadian barns which are being neglected and destroyed. Extended to the Maritimes and the West, the book would have provided fascinating information on the contrasting economic structure and origins of Canadian farming in different regions of the country.

But a continentalist publisher in Canada looks not for opportunities to publish books which record and celebrate a Canadian phenomenon. He looks instead for opportunities to combine enough Canadian material to satisfy a hungry audience in Canada with enough American material to be able to pretend to U.S. buyers that this is an American book. This strategy paid off for Jack McClelland and the barn book; it came out in early fall 1972 and before Christmas it was in its third large printing.

It has even been sold to a U.S. book club.

That is the kind of "Canadian" publishing the federal government is looking for. It is putting half a million dollars a year for the next three years into export centres for books in New York, London and Paris. Perhaps this \$1.5 million will double or even triple the \$5.5 million in book exports recorded in 1969. Meanwhile, of course, the \$144 million in book imports flow merrily in. In fact, as Canada gets into the book export business more seriously, it will be progressively more exposed and more unable to take any action to stem this flow of book imports.

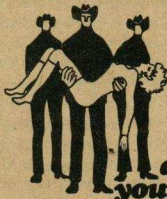
This strategy, of course, undermines the notion of Canadian publishers, controlled in Canada, publishing Canadian books for Canadian readers. But that won't bother anyone in Ottawa, and apparently it doesn't disturb Jack McClelland or the New Press boys either.

James Lorimer is a co-founder of James Lewis & Samuel, Publishers and teaches architecture at York University.

Two Great Canadian Films!

"..... part Godard, part Bonnie and Clyde."
Maclean's
 "A delightful, funny, and memorable movie."
Montreal Star

SHOWN AT THE BERLIN
 FILM FESTIVAL 1968



in colour

**O the
 rape of
 a sweet
 young girl**
 a film by GILLES CARLE

the Luck of Ginger Coffey



"Remarkable! Extremely well made"—Newsweek

Crawley Distribution—16mm

international:
 Kobayashi's
 REBELLION
 Goddard's
 LA CHINOISE
 Rocha's
 TERRE EN TRANSE

Widerberg's
 RAVEN'S END
 Malle's
 ZAZIE DANS LE METRO

a women's film
 Shirley Clarke's
 LIONS LOVE
 with Agnes Varda

entertainment
 Mayisle Bros.
 GIMME SHELTER
 Pennebaker's
 MONTERY POP

for complete catalogue write:
CRAWLEY DISTRIBUTION

P.O. Box 580, Station F, Toronto M4Y 2L8
 or phone (416) 964-1028

White white

By J. PRENDERGAST

White Eskimo, by Harold Horwood. Doubleday. 228 pp. \$5.95.

In which Harold Horwood attempts to do for the Eskimo what Farley Mowat did for the whale. And fails.

Mr. Horwood is writing two kinds of novels in *White Eskimo* and consequently neither is done well. On the one hand he is attempting a Pepsysian view of life in the Labrador at a foggy time after the war. One is unsure of the time sequence here. This pseudo-sociological study of the clash between white missionary-trader society and government indifference has no apparent basis in fact. Essentially a lot of verbiage is expended to prove that the central character gave the land back to the Eskimo — they seem to have lost it again.

The effect of this theme is whining indignation on the part of Mr. Horwood dissipating into a feeling on the part of the reader that Mr. Horwood is throwing a tantrum over a cause later to be fully explored. It never is.

Loosely entwined amid the first theme is the really interesting aspect of this novel. Mr. Horwood misses the coastal steamer again. His central character begins as a truly epic hero. The great hunter Gillingham, touched by the gods, driven by a powerful Torngak (or guardian spirit) returns to the land to prove the old legends. *The mighty hunter*. A novel about Gillingham and his motives for turning Eskimo, for turning the Eskimo back to their natural traditions in spite of government pressure and zealous Christianity would make a splendid novel. But Mr. Horwood carefully avoids this issue. Instead, the reader is subjected to unending descriptions of Gillingham conversing with the spirits of the land; Eskimos conversing with the spirits; much chatting is done with those from the beyond. But nothing is said.

Gillingham is portrayed as the great "White Spirit" as seen through the eyes of various "poor nuts". The great enigma is compared to Gillingham in the opening chapters and from then on the epic quality of the man and his actions is inundated by various lesser themes. Gillingham the great trader, Gillingham the victim of justice — Gillingham even-

tually drops his Eskimo trappings, turns Indian and begins his final journey to "The Land of the Dividing of the Waters". Who can blame poor Gillingham for attempting to escape Mr. Horwood's misplaced admiration.

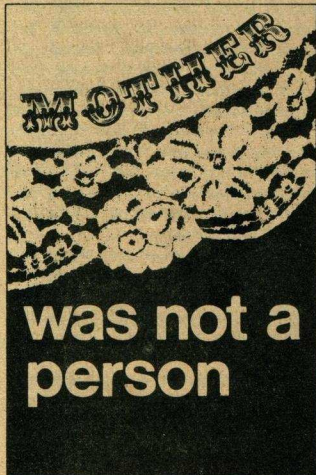
Having disguised the central epic theme Mr. Horwood fills the remaining pages with cartloads of descriptions of Labrador life and topography which convey nothing to the reader of the nature of the land. There is no feeling of desolation in his landscape — no feeling of cold in his winter, no feeling of cruelty in his seas. We emerge from the novel lacking any sense of Gillingham as a man or as a god; two dimensional white characters and one dimensional Eskimo characters operate against a painted backdrop Horwood would have us believe to be the real Labrador.

Stylistically Horwood runs the full gamut from the Hardy Boys to unedited Jules Verne. Unable to decide whether to stick to first person or third person narrative he jerks the reader about like a live trout on a weak line.

The structure of the novel beginning as a tale told to pass the hours whilst voyaging outward to Nain serves only to fog in the reader. Any energy and excitement that Gillingham might generate as an epic character is soon tossed overboard in favour of a romanticized pencil sketch of a good trapper at the mercy of God knows what inward and outward forces. The confused narrative is doubtless an attempt to lend credibility to a tale where credibility is not an issue. This tendency to present fiction as pseudo-*neo* fiction / truth is not for tales like Gillingham's any more than it is for tales like the *Wreck of the Mary Deare*.

White Eskimo is, we can only hope, the death throes of the "noble savage" syndrome among non-indigenous Canadian writers. Let the Indians and Eskimos tell us their tales with all the compassion and understanding that Harold Horwood lacks. Mr. Horwood should stay on his coastal steamer lost in the blizzard of his own descriptions.

J. Prendergast is a free-lance journalist who lived for some time in Newfoundland and studied at Memorial University.



Women in contemporary Canadian society. That's essentially the subject of this Winter '72 book — an anthology of writings by Montreal women.

It's not a Women's Lib book, so-called, nor a book devoted solely to the subject of feminism. Though there are arguments for both — and some arguments suggesting ways in which women and men can share equally in the development of a humane society.

There's some politics, some poetry, some social science, some educational matter, all weaved together in a volume which should be mandatory reading for college and university students and faculty as well as for the general public.

Mother Was Not a Person was compiled and edited by Margret Andersen, Ph.D., an associate professor at Loyola of Montreal. Her previous works include **Paul Claudel et l'Allemagne** (Ed. de l'Université d'Ottawa).

Contributors to **Mother Was Not a Person** include Marlene Dixon, Lise Fortier, M.D., Katherine Waters, Christine Garside, Lillian Reinblatt and Mary Melfi.

272 pages. \$3.95
For bookstores, standard discounts applicable.

Copies sent postage-paid.

Orders:

Content Publishing Limited
Suite 404
1411 Crescent Street
Montreal 107, P.Q.
(Tel. 514-843-7733)

LETTERS

Dear Last Post:

I am a member of local 173 United Brewery Workers and your latest issue proved to be of great interest to myself and other members of local 173.

Congratulations on your article about strikebreakers, in particular the vicious Canadian Driver Pool of Richard Grange. The damage and suffering caused by such goon squads can't be publicized enough.

Also, thanks for the advertisement in support of our boycott of the strike-bound products of Dare Foods Ltd. Articles and advertisements about our struggle and the boycott to which we have resorted, due to court-imposed restrictions on other forms of strike activity, are among the most effective means available to us in continuing our strike.

Paul Pugh
Kitchener

Dear Last Post:

My bust plunged in a fit of hysteria at your "Last Page".

Lynn King
Toronto

Dear Last Post:

I have taught English literature for so many years that I can no longer discern the difference between a good poem and a bad one. It is to Patrick MacFadden's credit that he not only can do this, but is even blessed with the perspicacity to line them up in rank of good, better, best. (As in "The best poem in *Let Us Compare Mythologies*, Cohen's first book, was called "Elegy"').

The poetry in Cohen's latest anthology, *The Energy of Slaves*, appears in large part to be relegated to the lower end of Mr. MacFadden's scale. I wish to suggest that perhaps Mr. Cohen, unaware as he undoubtedly is of the necessity of playing Mr. MacFadden's evaluative game, had in mind a total concept rather than a compulsion towards the competition of fragments.

The anthology, viewed as a totality, throbs of energy, the energy of slaves, and, in fact, bespeaks a coherence of feeling and of personal outlook which

takes it out of the realm of a mere collection of poems. If on the one hand, as Mr. MacFadden suggests, Cohen has become somewhat disassociated from his work, has become one of his own admirers, he balances this distancing, which is not undebatably a weakness, with a profound sense of the tragic force, the underlying energy which demands recognition even through the sterility which has enslaved us all — even, I would venture to say, Mr. MacFadden and his rating scales.

Sandra Frisby
Montreal

Dear Last Post:

The *Last Post* article "The Open Door Slams Shut" does a positive disservice to truth and understanding in its defence of the post 1966 national government immigration program of expanding non-European immigration, while destroying European immigration.

The experience with the West Indies is notably dismaying. Immigration from this group of nations with a scant 4.5-million people, less than half the population of London or Paris, by 1971 was proceeding at a rate which if allowed from all nations in the world would have resulted in 10-million people a year migrating to Canada.

Several points should be made about immigration: no democratic nation in history has ever allowed large scale migration of minority groups for any sustained period of time; no independent nation has ever allowed large scale immigration of minority groups; no contemporary nation has allowed immigration of minority groups. The U.K. did allow immigration of so-called Commonwealth non-Europeans, but as soon as it became visible to the majority of citizens it was severely choked off through the Commonwealth Immigration Laws of 1962 and 1965.

Immigration from Europe should be restored to 1966 levels, the immigration of persons from nations with backgrounds different from our own must be stopped, and the recruitment of workers should be decisively shifted from educated workers, who are very much in surplus in this nation right now, to unskilled, semi-skilled and skilled workers without advanced formal education.

The presence of large minority groups inevitably helps the forces of reaction. It should not be lost on us that the most right wing places in the U.S. are those with the largest percentage of Negroes

and other minorities.

The Canadian radical movement is largely a branch-plant operation, importing its ideas and causes from the U.S. and nowhere is this more evident than the support it has given to the idea of displacing European immigration with non-European immigration, an idea completely in conflict with four hundred years of Canadian history, and all contemporary experience.

Edward Carrigan
Toronto

Dear Last Post:

Re: R. D. Mathews' review of Goldwin Smith's *Canada and the Canadian Question* in your December issue.

Since I have not read the book I feel competent to take issue with some aspects of Mr. Mathews' review. This feeling is bolstered by the fact that I am not a 'continentalist', 'Liberal', 'Goldwin Smithite', nor any other brand of misanthrope attacked by your reviewer.

Rather, I take issue with the complete lack of historical sense which Mr. Mathews brings to bear on his subject; he makes no attempt to set Smith within his own times. At least none that is apparent. To be more specific, is it surprising that someone writing in the 1890s should believe that commerce rules? Surely it did so then as, unhappily, it still does. As well, in Smith's time, being a species of Social Darwinist was no mark of extreme eccentricity.

Mr. Mathews cannot seem to see Goldwin Smith as a man of his times — the type of man the reviewer seems to imagine himself to be. *Canada and the Canadian Question* is an historical document, not some secret IT&T report. Carl Berger is not the only guilty of writing rubbish.

Brian Calvert
Ottawa

Dear Last Post:

I am subscribing to your magazine this year because I feel you do a good job of writing from a leftist perspective on Canadian economics and politics. However, I have noticed a lack of coverage of urban and city politics and the impact of developers on city government (with the exception of an article on Drapeau — FRAP last year).

I enjoy reading the *Last Post*, especially in regard to Quebec politics, but I would appreciate more coverage of city politics and development in our major urban centres.

Paul Reinhardt
Toronto

THE LAST PAGE

CHILDREN IN A PETER PAN CULTURE

by STUART ADAM

The portrait of the family in contemporary literature is grim.

It has certainly earned its reputation.

We know, if not from experience, at least from a variety of social critics that the modern mobile, nuclear family has succeeded the family of place, uncles, aunts and parsons to become a hot-house for new forms of despair.

We have travelled from parochialism to neurosis.

The emancipatory scheming of the youth movement must have had some relationship to this pain. The Childless Couple (is it yet a movement?) and the Women's Liberation Movement, or at least its Feminist Wing, similarly reflect a rejection of the family unit and the traditional mandate of adults to rear children.

Both of these latter groups, but more subtly the last, have provided what may be called a generationist (not sexist or racist) vocabulary to accredit their resignations.

Thus we are advised from time to time that children are "odious mechanisms for the spilling and digesting of food." Responsibility for children, it is implied, intrudes on one's right to develop fully as a human being.

The solutions for such an odious constraint are twofold: forego children altogether (sometimes in the name of Humanity — which the population-ecologists tell us is polluted); or send them off to the professionals who will do a better job than the family could do. The solution, in short, is to discard society's most rudimentary structure and thereby bring freedom into being.

But would this be wise? I think not for a variety of reasons, but primarily because of the relationship between the causes of the assault on the family and the justifications for this assault. To state the proposition directly: to will the destruction of the family would be to affirm rather than to deny the current social order, which is a repressive one. It would mean that we have purchased the dream of the corporate consumer society that things and experiences — new cars and Disneyland — are an adequate substitute for ascribed and durable relationships with friends and relations.

In confronting contemporary social thought, the massive organizations of production and administration stand out clearly in relief. It is the requirements of the corporation and the state that have fashioned the communal basis of society. The megalopolis, for example, provides a centralized workplace and dormitory for these organizations while at the same submitting the family to a fundamental, if not a fatal, stress. As Paul Goodman pointed out years ago, the suburban dormitories are not communities in the sense that they embrace individuals of all classes, sexes and ages. With respect to age and sex, he wrote, the suburbs are for women and children — but not for men. The men are usually downtown, far from the purview of the suburbanites, in the realm of action generated by the corporation.

Further, the class of white collar workers required by the corporation is a class of transients who move horizontally

and vertically through the corporation to do, as it were, the job. To the extent family life thrives on stable physical and communal connections, the modern industrial state has given birth to conditions which conspire against it.

If the contemporary family disorder can be associated with the requirements of the new industrial state, then it is a paradox of sorts that the prophets of the family's destruction have adopted the notion of liberation to justify their various goals. Liberation, it would appear, materializes for women as it does for men when they are free to participate in corporate and administrative tasks. Liberation, in this sense, comes not from the individual power to create one's own life with others of the same ilk and fashion but rather from the individual right to enter a realm of action which has its own goals, its own momentum, its own destiny. The quantitative, manipulative and utilitarian values of the corporate order succeed the qualitative, existential and fundamentally humane goals of the family and the community. Liberation, then, comes from the unfettered opportunity to produce and consume. Human dignity and liberation indeed!

Further, it has been said that ours has been a child-centred civilization. The obsession with the kids in the post-war years, as John Aldridge has written, led us to breed "as if to prove we were still alive." The pathology of that generation, he argued, was that as our prosperity mounted we acted as if our children "were privileged guests" in hotels of sorts. His argument, the new industrial state notwithstanding, was that adolescence became a virtue, a permanent state.

Perhaps it is not too bold to argue that this psychological state haunts our generation as the notion of making ourselves permanently available to others requires our growing up — that is to say, becoming adults. Perhaps we can affirm Joan Didion's recent assertion that what she often hears in the demands for liberation are "the wishful voices of . . . perpetual adolescents, the voices of women scarred by resentment not of their class position as women but of the failure of their childhood misapprehensions." Perhaps it is wise to recall that it was Peter Pan who uttered that "mothers are very overrated persons."

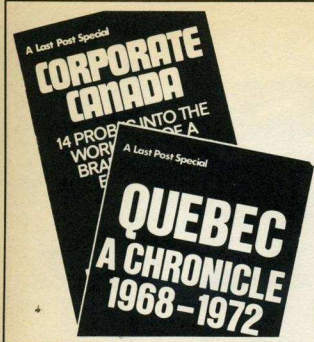
In any case the family's role, regardless of its development in the future, and the manner in which women confront the new social arrangements, is the realm in which permanence is guaranteed. It's a realm which requires duty and affection to known persons. It secures primal connections to all ages and both sexes. Insofar as it is external to the public world, it is not truly of this world and it need not, therefore, follow the agendas prescribed by government bureaucrats, corporation executives, the mass media counselors or other excellent humanitarians such as child psychologists. In its individuality it invests this public world with a richness which could never be guaranteed by an administrative and professionalized child-rearing organization.

It ought, in short, to persist.

ADDRESS CHANGES

Please notify us of your change of address, and enclose a mailing label from an old issue, when you move. This helps us, and ensures that you don't miss any issues of **Last Post**.

Just



Offer to New Subscribers TWO LAST POST BOOKS

plus 1 year (8 issue) subscription
to **Last Post** — only **\$6.90**
(see coupon below)

Both books are collections of features taken from the newsmagazine
— revised, edited and updated by **Last Post** staff

Look for these Last Post specials in any good bookstore



BACK ISSUES

Vol. 1 No. 1: Canada's leading role in Chemical-Biological Warfare, the struggle in Quebec, and the politics of wheat. **\$1.50**

Vol. 1 No. 2: not available

Vol. 1 No. 3: the "underdeveloped" Maritimes, the Canadian oil sell-out, Montreal's guerrilla taxis, and Canadian imperialism in the Caribbean. **\$1.50**

Vol. 1 No. 4: how Time controls the Canadian magazine industry, CPR's attempts to get out of passenger service, and the Ottawa Press Gallery. **\$0.75**

Vol. 1 No. 5:
Special report on the Quebec crisis, 1970
Also, the story of the Maritime fishermen strike, Part 1. **\$0.75**

Vol. 1 No. 6: Michel Chartrand profile by his wife, and Canada's economy squeeze: the electrical industry, women, the Maritimes, and Sudbury's labour camps. **\$0.75**

Vol. 1 No. 7: David Lewis and the NDP, the NHL power play, an interview with the IRA chief of staff. **\$0.75**

Vol. 1 No. 8: Jumbo issue . . .
Renegade report on poverty . . .
prepared by former members of the Senate Committee on Poverty, who resigned in 1971. Also John Munro's youth-spy program, the Arctic war-games, and the N.S. Fishermen, Part II. **\$1.00**

Vol. 2 No. 1: the Canadian press and the Vietnam War, the Lapalme drivers story, and Jim Laxer on Canada's resources. **\$0.75**

Vol. 2 No. 2: the saga of Stompin' Tom Connors, the rural revolt against farm policies and Aislin's best caricatures. **\$0.75**

Vol. 2 No. 3: the story behind the Auto Pact, and five stories on developments in Quebec in the Fall of 1971. **\$0.75**

Vol. 2 No. 4: portrait of Joey Smallwood, and the Ontario Civil Service non-Union. **\$0.75**

Vol. 2 No. 5: Pierre Vallieres, the Toronto Star, the crisis in Canada's book publishing industry, and Trudeau's 'different' ideas on foreign economic domination, written in 1958. **\$0.75**

Vol. 2 No. 6: Jean Marchand's Dept. of Regional Economic Expansion, the May labour revolt that shook Quebec. **\$0.75**

Vol. 2 No. 7: Claude Balloune's 1972 election portraits, the Waffle-NDP war, the Claude Wagner phenomenon, and W. A. C. Bennett's defeat. **\$0.75**

Vol. 2 No. 8: Canadian Driver Pool - professional strikebusters, Canada's plan to invade the U.S., and the pollution of Canadian hockey. **\$0.75**

Vol. 3 No. 1: the politics of separation — report on the Parti Quebecois, and the Science Council of Canada on branch plant technology. **\$0.75**

Reduced price
for all back issues
except Vol. 1, No. 2 **\$12.00**

- I enclose:
- \$4. for a 1-year (8 issue) personal subscription (Institutional rate: \$7.)
 - \$_____ for _____ gift subscription(s)
 - \$6.90 for a subscription plus the two Last Post books
 - \$_____ for back issues _____
 - \$_____ contribution to the Last Post
 - \$50. for a perpetual subscription

Send with cheque or money order to
THE LAST POST
430 King St. W.
Suite 101
Toronto 135 Ont.

Name _____

Address _____



IMAGES OF CANADA



Six hour-long color documentaries...
in a continuing exploration of the history of our country.

HEROIC BEGINNINGS—A journey into Canada's past with historian Donald Creighton.

Wednesday, Feb. 21—9:30 p.m.

THE MAGIC CIRCLE—A colorful portrait of New France, 1600-1867.

Wednesday, Feb. 28—9:30 p.m.

TIES THAT BIND—A unique history of the Maritimes, 1600-1867.

Wednesday, March 7—9:30 p.m.

PEACE, ORDER AND PROSPERITY—An examination of Upper Canada, its history and development, 1776-1900.

Wednesday, March 14—9:30 p.m.

THE FOLLY ON THE HILL—A probing look at Canada's Parliament Buildings, and their role in Canadian life (repeat).

Wednesday, March 21—9:30 p.m.

THE CRAFT OF HISTORY—Historians survey the foundations of Canada, and the art of writing history (repeat).

Wednesday, March 28—9:30 p.m.



CBC
TV

