Andrew T. Levin & Christina Parajon Skinner
"Central Bank Undersight: Assessing the Federal Reserve's Accountability to Congress"
February 2024

Overview of Data Replication Files

Figure 1: Dissenting Votes at FOMC Meetings

Figure1 - FOMC Dissents.xlsx : This spreadsheet was downloaded from the following webpage on 11/3/2023:
https://www.stlouisfed.org/-/media/project/frbstl/stlouisfed/files/excel/fomc_dissents_data.xlsx

Figure1 – FOMC Dissents.wf1 :
The first tab of this workfile is labeled *"Meeting_Dates"* and was imported directly from the excel spreadsheet indicated above, with one observation for each FOMC meeting date over the period from 1936 to 2023. For each FOMC meeting, the series *governors_dissent* equals 99 if at least one Fed Board member dissented and 0.5 otherwise; likewise, the series *presidents_dissent* equals 99 if at least one Fed Bank president dissented and 0.5 otherwise.

The second tab of this workfile is labeled *"Semiannual"* and has one observation for each semiannual period from 1936:S1 to 2023:S2. At each date, the value of the series *governors_dissent* is determined by a formula that averages the "Meeting_Date" values of this series for the FOMC meetings held within that six-month period. Likewise, the value of the series *presidents_dissent* is the mean value of that series across the FOMC meetings held within that six-month period. In this tab, Figure 1A is the object labeled *governors_dissent_graph*, and Figure 1B is the object labeled *presidents_dissent_graph*.

Figure 2: Characteristics of Fed Board Members (excluding the Fed Chair)

Figure2 - FRB Governors.xlsx : The content of this spreadsheet was downloaded from the following webpage on 11/3/2023:
https://www.federalreserve.gov/aboutthefed/bios/board/boardmembership.htm

Figure2 - Analyze FRBOG Characteristics.do : This stata do-file imports the contents of *FRB Governors 1950-2023.xlsx*, tabulates the characteristics of Fed Board members (excluding the Fed chair) at the end of each calendar year, and exports these characteristics to ***Figure2 - FRBOG Characteristics.xlsx***.

Figure2 - FRBOG Characteristics.wf1 : The contents of this Eviews workfile were imported directly from the spreadsheet *Figure2 - FRBOG Characteristics.xlsx*. In this workfile, Figure 2A is the object labeled *tenure_graph*, and Figure 2B is the object labeled *political_affiliations_graph*.

Figure 3: The Federal Reserve's Liabilities

Data on the dollar amounts of the Federal Reserve's liabilities as of December 2007 and June 2023 were taken directly from the Federal Reserve System Audited Statements for 2007 and the Federal Reserve System Unaudited Statements for 2023:Q2; those financial statements were downloaded from the following webpage on 11/3/2023:

https://www.federalreserve.gov/aboutthefed/fed-financial-statements.htm

At each date, the composition of liabilities (in percent) was computed by dividing each type of liability by the total amount of liabilities. These computations are provided in the following Eviews workfile: ***Figure3 - SOMA Liabilities.wf1 .*** In this workfile, **t**he left panel is the Eviews object labeled *liab_2007_piechart*, and the right panel is the Eviews object labeled *liab_2023_piechart*. It should be noted that the area of the pie-chart for 2007 is roughly one-tenth as large as for 2023, reflecting the fact that total liabilities at these two dates were $0.8 trillion and $7.8 trillion, respectively.

Table 1: Independent Agencies with External Funding

The data shown in this table were taken directly from *Budget of the U.S. Government, Fiscal Year 2024*, which was downloaded from the following webpage on 11/3/2023:

https://www.govinfo.gov/app/details/BUDGET-2024-APP/BUDGET-2024-APP-1-30

Figure 4: The Federal Reserve's Net Worth and the "Magic Asset"

-- For each year from 2012 to 2022, the Federal Reserve's net worth is taken directly from the Federal Reserve's audited financial statements, downloaded from the following webpage on 11/3/2023:

https://www.federalreserve.gov/aboutthefed/fed-financial-statements.htm

In particular, the Federal Reserve's net worth is the asset item labeled "Total Reserve Bank Capital." For example, in 2022 this item was $41.799 billion and is shown on page 6 of the audited statement.

-- For 2023, the Fed's net worth was taken from the Federal Reserve's Unaudited Financial Statements for 2023:Q2, which were downloaded from the following webpage on 11/3/2023:

https://www.federalreserve.gov/aboutthefed/fed-financial-statements.htm

-- For the period from Sept. 2022 to Nov. 2023, the Fed's deferred asset (the "magic asset") was taken directly from the Federal Reserve Board's weekly reports on "Factors Affecting Reserve Balances" (H.4.1 Release), which are posted at the following webpage:

https://www.federalreserve.gov/releases/h41/

In particular, the deferred asset is the liability item labeled "Other liabilities and capital"; this item was $49.061 billion as of 9/1/2022 and declined to −$76.066 billion as of 12/27/2023.

-- For 2024 to 2032, the Fed's net worth and deferred asset were projected forward using the procedures described in Andrew T. Levin, Brian Lu, and William R. Nelson, "Quantifying the Costs and Benefits of Quantitative Easing," National Bureau of Economic Research Working Paper 30749, which is posted here:

https://www.nber.org/papers/w30749

These projections are provided in the following Eviews workfile:

Figures4&5 - Net Worth and Remittances.wf1

In this workfile, Figure 4 is the object labeled *networth_graph* .

Figure 5: The Federal Reserve's Remittances to the U.S. Treasury

-- For the period from 1960 to 2022, data on the Federal Reserve's total remittances and related items (net operating income, retained earnings, and surplus transfers) were taken directly from Table G.10 in the *109th Annual Report of the Board of Governors of the Federal Reserve System* (2022), which was downloaded from the following webpage on 11/3/2023:

https://www.federalreserve.gov/publications/files/2022-annual-report.pdf

For this period, the ratio of each item to GDP (in percent) was computed using annual data on the value of U.S. nominal GDP, which was downloaded from the following webpage on 11/3/2023:

https://fred.stlouisfed.org/series/GDPA

-- In 2023, the Federal Reserve made no transfers to the U.S. Treasury. The Federal Reserve's net operating loss for 2023 equals the annual change in its deferred asset, which was computed using the Federal Reserve Board's weekly reports on "Factors Affecting Reserve Balances" (H.4.1 Release) as of 12/29/2022 and 12/28/2023, which are posted at the following webpage:

https://www.federalreserve.gov/releases/h41/

-- -- For 2024 to 2039, the Fed's remittances were projected forward using the procedures described in Andrew T. Levin, Brian Lu, and William R. Nelson, "Quantifying the Costs and Benefits of Quantitative Easing," National Bureau of Economic Research Working Paper 30749, which is posted here:

https://www.nber.org/papers/w30749

These projections are provided in the following Eviews workfile:

Figures 4&5 -Net Worth and Remittances.wf1

In this workfile, Figure 5 is the object labeled *remittances_graph* .