Extra Credit ECO

Answer the questions below. Must be typed, double spaced.

1.Who appoints the members of the Federal Reserve's Board of Governors, and who must approve or confirm these appointments?

The board of governors of federal reserve have seven members, who are appointed for 14 years. And they are appointed by president and confirmed by the Senate. (ECO 14, p.279)

2. How long is the term of a Fed Res Governor? Why so long?

The Board of Governors functions with significant independence. Presidents and members of Congress can put political pressures on the BOG, but their 14-year terms incline to protect the members from outside pressures. The current chairman of the Federal Reserve is Janet Yellen, who began her term on October 4, 2014. (ECO 14, p.279)

3. Who are the permanent and rotating members of the Federal Open Market Committee? (not their names but the position they hold)

The FOMC is a 12-member board containing of the seven associates of the Board of Governors, the president of the New York Federal Reserve Bank, and the presidents of four other regional Federal Reserve Banks. (The presidents of the regional banks other than New York serve on a rotating basis; the seven nonvoting bank presidents attend the meetings and offer their opinions.) The chairperson of the Board of Governors also serves as the chairperson of the FOMC. The FOMC makes the actual decisions on changes in the money supply. Its members are assisted by vast teams of professionals at the Board of Governors and at the regional Federal Reserve Banks. (ECO 14, p.279)

4. How many Federal Reserve districts are there?

List 8 of the district cities in which there is a Federal Reserve Bank. (not Washington DC which is the location of the central Federal Reserve Bank)

The 12 Federal Reserve Banks are dispersed crossways the United States. These district banks serve as a Liaison between the Fed and the banks h their districts. Hawaii and Alaska are in the 12th district which is headquartered e San Francisco. It includes; Chicago, Dallas, Atlanta, Minneapolis, Cleveland, Boston, New York Philadelphia, Richmond , St. Louis. (ECO 14, p.280)