

Table 2.3 Comparing (Legal) Accountability of Various Central Banks

Various aspects of accountability	Bank of Canada	Bank of Japan	Bank of England	Federal Reserve System	ECB
1. Does the central bank law stipulate the objectives of monetary policy?	*	*	*	*	*
2. Is there a clear prioritization of objectives?	—	—	*	—	*
3. Are the objectives clearly defined?	—	—	*	—	*
4. Are the objectives quantified (in the law or based on document based on the law)?	—	—	*	—	—
Subtotal on <i>ultimate objectives of monetary policy</i>	1	1	4	1	3
5. Must the central bank publish an inflation or monetary policy report of some kind, in addition to standard central bank bulletins/report?	*	—	*	*	—
6. Are minutes of meetings of the governing board of the central bank made public within a reasonable time?	—	—	*	*	—
7. Must the central bank explain publicly to which extent it has been able to reach its objectives?	*	*	*	*	*
Subtotal on <i>transparency</i>	2	1	3	3	1
8. Is the central bank subject to monitoring by parliament (is there a requirement—apart from an annual report—to report to parliament and/or explain policy actions in parliament)?	*	*	*	*	*
9. Has the government the right to give instructions?	*	*	*	—	—
10. Is there some kind of review in the procedure to apply the override mechanism?	*	*	*	*	—
11. Has the central bank possibility for an appeal in case of an instruction?	—	—	—	—	—
12. Can the central bank law be changed by a simple majority in parliament?	*	*	*	*	—
13. Is past performance a ground for dismissal of a central bank governor?	—	—	—	—	—
Subtotal on <i>final responsibility</i>	4	4	4	2	1
Total on accountability	7	6	11	6	5

Source: De Haan, Amtenbrink, and Eijffinger 1999.