

Mini-Roundup: Nuanced Correction of Krugman Interview, Two Columbia Law Professors in the U of Chicago Law Review on my FOIA project & Attending Bloomberg Invest

Notes on the Crises

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By Nathan Tankus

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Regionalism and the Federal Reserve Banks

Kathryn Judge • Lev Menand

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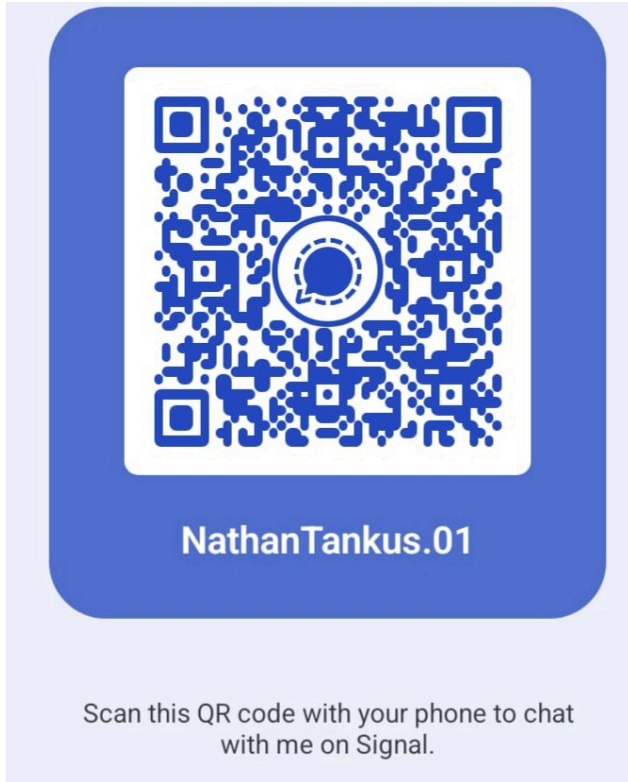
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Mini-Roundup:
-Nuanced Correction of Krugman Interview
-Two Columbia Law Profs in the U of Chicago Law Review on my FOIA project
-Attending Bloomberg Invest

The extensive “Notes on the Crises Investigative Journalism Source Wish List” [can be found here](#). The highest priority items on my “wish” list are currently Bureau of the Fiscal Service Parkersburg, West Virginia Budget Appropriations and current United States Treasury attorneys (including any Bureaus). All listed items are, however, important to me. As always, Sources can contact me [over email](#) or over signal (a secure and encrypted text messaging app) at my Signal username “NathanTankus.01” or with the QR code below. I will speak to sources on whatever terms they require (i.e. Off the Record, Deep Background, On Background etc.)



*This is a free piece of Notes on the Crises. I will not be paywalling any coverage of this crisis for as long as it persists, so please [take out a paid subscription](#) to facilitate performing that public service. You can also [leave a “tip” if you want to support my work](#), but **hate emails cluttering your inbox or recurring payments**. If you’re rich, take out the [Trump-Musk Treasury Payments Crisis of 2025 Platinum Tier](#) subscription.*

Note to Readers: *I am on [bluesky](#), an alternative to twitter. I have also started an instagram for Notes on the Crises [which is currently being populated with my articles](#) and [I’ve finally created a youtube channel](#)*

*Finally, I’m known as [a crypto skeptic](#), and I am, but that doesn’t mean I won’t accept people giving away bitcoin to me. Here’s my address: **bc1qegxarzsfga9ycesfa7wm77sqmuqqv7083c6ss6***

Hello readers, this is not a full piece today. Well, I’m a writer so what I mean by “full piece” is it has a coherent and cohesive narrative that I unpack from introduction to conclusion. This “update” will still have plenty of content. First, I’m attending Bloomberg Invest today! Come say hello if you’d like, especially if you’re interested in figuring out how you can help fund the expansion of my work.

Next up, I wanted to flag a nuanced but significant error I made in my interview with Paul Krugman (recorded last Wednesday and released on Saturday). I had spent most of the morning before our interview working on my piece [on the Bitcoin Strategic Reserve](#). As a result, I did not have time to

reread my coverage. This led me to inadvertently make a claim I don't **yet** have sufficient evidence for:

Tankus: [...] One explosive court filing is that **already by the time that I had come to find out about this on January 31st**, they had been at the payments level of blocking payments, which, what I mean is there's literally these payment files written basically the same way they would be written in the 1970s that get processed through these systems and get sent on to the Federal Reserve to be processed by ACH, Automated Clearing House, which is how any sort of small or medium-sized value payment works. You get a payment from Social Security and it's a direct deposit to your account, it is an ACH payment. That's the system.

And they were literally just taking the files and going, 'we're not handing those over. We're not processing this because we're shutting down USAID.' And as we know, they've now taken over the building and shut down USAID, but they were also doing that at the payments level. **And so with the Hamilton Projects tracker, you can see the payments from USAID go to zero, literally zero January 28th. So they were literally doing this.**

Krugman: So **that's before they actually seized the building and told everybody to go home. They actually just stopped the payments. Wow. So I was going to offer a hypothetical, but I don't need to. That's an actual case.** They just sort of made the judgment, decided we don't like USAID and without even telling the officials at USAID to stop paying the money or before we get around to that, we just tell the computer to stop making the payments.

Tankus: Exactly. And there is an even further incident that the court filings reveal that I reported on last week [...]

In responding to Krugman's prompt, I collapsed two different points together. The Hamilton Project's tracker shows the USAID payments fell to zero on January 28th. Separately, court filings have sworn testimony of payment files being stopped and flagged for review on January 31st. I do **not currently have sources that confirm for me that the USAID payments** stopping on January 28th was because of payments level impoundment. Indeed, that was the day the [OMB memo came out](#) which many agencies reacted to.

However, other payments for other agencies got started again in the days following the OMB memo while USAID's did not. Thus, I can't **confirm** when payment levels impoundment began. The building takeover happened the [night of January 31st](#), while the court filings have USAID payment

files [being flagged January 31st](#). So the “official” timeline of events still has payment-level impoundment preceding the building being taken over, just by a matter of hours and not days. If you know the timing of these events in greater detail, please contact me using the Signal information provided above.

Nevertheless, I regret the error and hope my eagerness to point out my mistakes sustains the credibility I’ve built up, especially over the past five weeks. Please check out [the rest of the Paul Krugman interview which I stand by completely](#).

Which brings me to my favorite part of this round up, FOIAing the Federal Reserve. That project has taken a backseat to what’s going on now, but it still holds a special role for me.

One reason why I was financially struggling throughout 2024 is that I had devoted myself to an enormous Archival and Federal Reserve project without a budget. I knew it was extraordinarily important and felt utterly compelled to see it through, regardless of the personal financial pressure it involved. Getting other people to understand that it was important, let alone willing to compensate me for the enormous labor I put into it, was extremely difficult. A large part of the reason why I pursued [building institutional subscriptions](#) was that I knew a much narrower audience of decision-makers were the ones who knew the importance of what I was doing. Institutional subscriptions are however, a slow involved effort that are still ongoing. In other words, I launched one big investment project with no budget and tried to solve it by launching another budgetless big investment project. I would like to again mention the important volunteer labor John Jay Student **Josie-Grace Valerius** did to make my [free, searchable 30,000 page Federal Reserve Board Minutes Archive](#) possible.

For the reasons stated above I’m very grateful to my friends Kate Judge and Lev Menand who are Columbia Law Professors who focus on money and finance. Yesterday a Law Review Essay they wrote for the University of Chicago Law Review was [published which is entitled](#) “Regionalism and the Federal Reserve Banks”. Putting their argument aside, what is extremely noticeable about this essay is how heavily it relies on three monographs written by Mid-Century Federal Reserve general counsel Howard Hackley.

Hackley 1969. [Should the Stock of the Federal Reserve Banks Be Retired?](#)

Hackley 1970. [Should Requirements with Respect to the Selection of Reserve Bank Directors Be Changed?](#)

Hackley 1972. The Status of the Federal Reserve System in the Federal Government

These are monographs I released thirteen months ago along with four other texts in [a piece entitled](#): “Revealed: The Seven Secret Federal Reserve Books I Won Through FOIA”. It is thus no exaggeration to say that a critical evidentiary foundation of this essay in the University of Chicago Law Review is my “Law of the Federal Reserve FOIA project”. I also provided extensive feedback on the paper last summer. It was thus very gratifying to see this quote in yesterday’s published version which was not in the version that I had reviewed:

Also relevant here is that **it was only because of a FOIA request** that many of the internal memoranda authored by Hackley, **which were so influential internally** [at the Federal Reserve], have finally become public [Footnote:] Nathan Tankus, Revealed: The Seven Secret Federal Reserve Books I Won Through FOIA, NOTES ON THE CRISIS (Feb. 6, 2024), <https://perma.cc/32XA-C6LB>.

So thank you very much to Kate and Lev. I hope to have them write a guest piece in the newsletter over the summer elaborating on this point. I’m grateful to my readers for the past six weeks who facilitated that “sweat equity” paying off. As I will discuss in greater length in the future, your support has made it possible for me to think about expanding Notes on the Crises in exciting ways. Because I’m attending Bloomberg Invest, another piece may not be until Thursday afternoon.