

## CHAPTER 9 CONCLUSION

Now it is time to conclude. What does my study tell us about administrative legitimacy? What are the central themes in both the supporters' arguments and the opponents'? Where should scholarship on the subject go from here?

### PUBLIC ADMINISTRATION AND THE MEANING OF DEMOCRACY

In many ways, the question of administrative legitimacy is a question of what democracy really means—and what it requires of administrative institutions. In his excellent book *We the People: Foundations*, Bruce Ackerman discusses the American concept of democracy, which he calls “dualism,” and shows how it has contributed to democratic theory. Reflecting on the word democracy, many eighteenth century thinkers imagined the Greek city-state. But not Publius:

[In the traditional view,] democracy was possible within a face-to-face community in which all citizens might directly participate in public affairs. Only then could the People rule (*demos-kratos*) in any meaningful sense. Imperial scale implied imperial government—with monarchs, bureaucrats, and nobility arranged in endless permutations. Though these governments were not democratic, they were powerful. Their larger resources and more centralized power structures typically permitted them to dominate the pathetic confederacies that city-states might organize in self-defense . . . *Publius rejected the Greek polis as a model for popular government in the modern age* . . . [my emphasis] (Ackerman 1991 p. 295).

With the ratification of the US Constitution and its subsequent amendments, we have created a constitutional democracy, one suited for the challenges of the modern world. In our polity, the People rule, but their power is divided among three branches of government: the legislative, the executive, and the judicial. Just the same, their power is dispersed between the national and the state levels. Due to the Bill of Rights, both the federal and the state governments are forbidden from taking certain actions against people, even when the majority would like the government to act that way.

Within this framework, what role can administrative institutions legitimately play? People who challenge administrative institutions' legitimacy, I think, tend to have a relatively narrow conception of democracy. Certainly the challengers recognize that the American polity is not a “pure democracy.” They still believe, however, that strict limits must be placed on unelected administrators' ability to govern independently of elected officials. Administrative discretion may not be eliminated entirely, but it should be limited, very limited indeed. And precisely because administrators will always have *some* discretion (hopefully not much), elected officials must maintain the tightest possible control over them. Only by meeting these requirements can truly democratic—and truly legitimate—administrative institutions exist.

People who support administrative institutions' legitimacy, by contrast, tend to have a broader conception of democracy.<sup>1</sup> The American polity, they emphasize, is not a "pure democracy," so unelected officials should be able to exercise independent authority within the governance process. Supporters recognize that administrative institutions play a justifiable role *in our system of government*, a system that checks and balances power.

Regardless of what people may think of administrative legitimacy in general, the Fed is a special case. No other administrative institution is structured quite like it, certainly none with such vast powers, which causes its legitimacy to be questioned in ways others are often spared. Even people who accept the legitimacy of *other administrative agencies* may reject the legitimacy of this particular one.

At this point, then, it is worth reviewing the central themes I have found in the argument over the Fed's legitimacy. In the next section, I focus on three themes from supporters' arguments and three themes from opponents' arguments. For each theme, I cite a couple of representative people and/or institutions whose argument(s) fell within this particular area. Doing so is necessary, I believe, to clearly connect the arguments of the previous chapters with the underlying themes of the study as a whole. Obviously, I cannot cite all the people or institutions whose arguments fell within a particular theme; the citations I use are just a sample, not a complete list.

### **THREE THEMES FROM SUPPORTERS OF THE FED'S LEGITIMACY**

When analyzing the arguments of the Fed's supporters, we discover three central themes. First, supporters argue that the Fed restrains the power of elected officials. Second, supporters argue that it protects the public interest. Third, supporters argue that the Fed is analogous to the Supreme Court.

#### **RESTRAINS THE POWER OF ELECTED OFFICIALS**

The Fed is legitimate, supporters often argue, because it restrains the power of elected officials. In the American polity, at least, this is an appropriate task for administrative institutions, as we separate, divide, and decentralize governmental power more generally. If separating, restraining, and decentralizing power is appropriate at the constitutional level, why not do it at the political level too, creating administrative institutions that check the power of elected officials—especially the President?

Many times, as we have seen, those who make this argument are more concerned about the President than anyone else. To an extent, this makes sense: the Presidency is an extraordinarily powerful institution, and its power has always been controversial. From the beginning of the nation's history, elected officials (typically Members of Congress) and political activists have claimed that the Presidency is more powerful than it should be. During the ratification struggle, for example, the Anti-Federalists claimed that the President would be a monarch "in everything but name" (McDonald 1994 p. 193).

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<sup>1</sup> In *The Federalist*, when Publius defended the proposed Constitution, he almost always used the term "popular government," not "democracy."

At different times in American history, these sentiments have been echoed, especially about our strongest Presidents: Andrew Jackson, Abraham Lincoln, Theodore Roosevelt, Woodrow Wilson, Franklin Roosevelt, Lyndon Johnson. By providing the Fed with authority over monetary policy and financial regulation, the President's power is checked. Or as the Norfolk *Ledger-Star* said in 1971, the Fed prevents the President from engaging in a "massive, one-direction fiscal manipulation" (*Congressional Record* March 12, 1971 p. 6436).

Some who make this argument, in fact, do not stop with the President. Testifying about Congress's role in the monetary policymaking process, Arthur Burns argued that Congress "has not found it easy to legislate on fiscal policy." How could it legislate on monetary policy—which is a "vastly more intricate, highly sensitive, and rapidly changing field" (Burns 1978 p. 368)? Even *Members of Congress* have sometimes claimed that the Fed is legitimate because it restrains the power of the nation's legislators. When other members blame the Fed for national economic problems, members who support the institution's legitimacy have responded by saying that these are Congress's fault, not the Fed's. Without the independent Fed, they claim, these problems would be much worse.

No one who makes these arguments, of course, believes the Fed should be unaccountable to the public, though they often define public accountability differently from the institution's opponents. According to Arthur Burns, the Fed must communicate its decisions to the public—and it does. In addition to testifying before Congress, the Fed's officials send out news releases and publications; they deliver public addresses (Burns 1978 p. 347). Alan Blinder, the Vice Chairman of the Board of Governors from 1994 to 1995, connected the political appointment of Governors to public accountability. Because Governors are appointed by Presidents who were elected by the voters, the Fed is not a "self-perpetuating" oligarchy (Blinder 1998 p. 68). Throughout my study, others have made similar arguments: the Fed is independent within government, but it is not unaccountable.

#### THE PUBLIC INTEREST

The Fed is legitimate, supporters often argue, because it promotes the public interest.<sup>2</sup> In general, the promotion of the public interest is connected to the need to limit inflation. Representative democracies, according to this view, have a tendency to inflate—and why not? The benefits of easy money are gained early; the costs are paid later.

Over and over again, we have heard variations on this argument. In 1982, the Federal Reserve Bank of Chicago's annual report was entitled, "Serving the Public Interest." Throughout this report, the Chicago Reserve Bank used the "public interest" to legitimate the System as a whole and its role in it. In the economic policy realm, the Fed's regional structure "enhances its ability to serve a broad and diversified public interest" (Federal Reserve Bank of Chicago 1982 p. 4). The power to spend money and the power to print

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<sup>2</sup> The public interest argument is similar to the restraining power argument, at least up to a point. Remember that the Fed is able to promote the public interest precisely because it has considerable independence from elected officials.

it, the Federal Reserve Bank of Dallas argued in 1990, must be kept separate. One agency must have the power to spend money; another must have the power to print it. This is necessary to protect the public interest: if the Fed was not independent, the deficits of the 1980s would have caused “sustained double-digit inflation” (Federal Reserve Bank of Dallas 1990 p. 14). Some people who believe the Fed is not justifiable from a theoretical standpoint—a political commentator such as Michael Kinsley, for example—still think it is necessary to protect the public interest. According to Kinsley, the American polity has become “more self-indulgent and shortsighted” over time (Kinsley 1989 p. 2). An independent Fed protected the public interest in the 1970s; it did so in the 1980s; and he believed it would continue to do so.

In the scholarly literature on public administration, the “public interest” concept has had a difficult history. In a famous essay, “The Public Interest in Administrative Decision-Making: Theorem, Theosophy, or Theory,” Glendon Schubert dismissed the term as meaningless—and postmodernism, which has influenced the social sciences in recent years, challenges the definition of every concept, including the public interest.<sup>3</sup> In the political world, though, the public interest is an effective rhetorical tool, especially for administrative agencies. People may disagree about what the public interest requires, but they have no doubt it exists.

#### SUPREME COURT METAPHOR

From the Fed’s founding to the present day, many supporters have used the Supreme Court metaphor to legitimate the institution. In January 1914, President Wilson argued that creating the Fed was “almost like constituting a whole Supreme Court. It’s almost equal in importance.” In the beginning, many who used this metaphor meant that its policies should be made on “the principles of science and business, just as the Court made decisions based in law, and it was to scrupulously nonpartisan” (Kettl 1986 p. 24). According to Senator Carter Glass, the author of the Federal Reserve Act of 1913, the exercise of the monetary authority “involves as much sanctity” and “consequence to the American people as a like discharge of duty by the Supreme Court of the United States” (Burns 1978 p. 382). In this sense, he argued, the Federal Reserve was analogous to the Supreme Court.

Over time, supporters of the Fed’s legitimacy have continued to use this metaphor. In 1973, Arthur Burns argued that the Fed observes the “rules of conduct such as animate . . . our courts of justice.” In a 1976 commencement address, he argued that Fed officials “have in fact sought to model our conduct on that of the Supreme Court. While exercising their adjudicatory responsibilities, they “scrupulously avoid any contact with interested parties.” While making policies for money and credit, too, they do not give “the slightest consideration . . . to questions of political partisanship” (Burns 1978 p. 382).

Similarly, George Will wrote a column in 1976, where he argued that both the Supreme Court and the Federal Reserve are “device[s] by which our democracy prudently insulates

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<sup>3</sup> For an academic defense of the public interest, see Charles Goodsell’s “Public Administration and the Public Interest,” which was published in *Refounding Public Administration* (1990).

some important matters from the gusty winds of popular opinion, and from short-term calculations of elected persons.” The Fed’s independence, like the Supreme Court’s, has been attacked by elected officials and political actors as anti-democratic. In both cases, Will asserted, people are demonstrating a “modern impatience” with governmental institutions that do not “conform to the simplistic notion of democracy as a system of unfettered majoritarianism” (*Congressional Record* May 10, 1976 p. 13086).

Because Americans take the separation of powers seriously, it is not surprising to find supporters using the Supreme Court metaphor. Indeed, the metaphor applies to the Fed more than it does to most other agencies—since members of the Board of Governors have fourteen-year terms, and the System as a whole is exempt from the annual appropriations process and the civil service system. The more independent agencies are, therefore, the more likely supporters are to use the Supreme Court metaphor. But those who reject this metaphor can make two arguments. First, they can claim that an agency with independence *through a statute* is not analogous to an entire branch of government, which has independence *through the Constitution*. Second, they can reject the idea that any part of government, including the Supreme Court, should be so insulated from popular opinion. I say this not to defend the opponents’ position, but to acknowledge that the Supreme Court metaphor itself requires us to accept two premises.

### **THREE THEMES FROM OPPONENTS OF THE FED’S LEGITIMACY**

When examining the opponents’ arguments, we also discover three central themes. First, opponents present a Presidential view of public administration—which requires the President to “manage the executive branch,” controlling its activities and its policies. Second, opponents observe that the Constitution provides the Congress with the monetary authority. As a result, they believe that the Fed’s power is illegitimate. And, finally, opponents raise questions about the Fed’s public-private character. They are especially disturbed by the FOMC, a body that includes not just members of the Board of Governors, but five Reserve Bank Presidents.

#### **THE PRESIDENTIAL VIEW OF PUBLIC ADMINISTRATION**

For most of its history, public administration has been conceptualized as a “top-down” process—that is, at the federal level, the field has been conceptualized from the *President* down. On this view, the President is the leader of the nation, the elected official who must not only “manage the executive branch,” but also control its activities and policies. Public administrators work for the President, to whom they owe ultimate loyalty and responsibility.

If public administration is conceptualized this way—and this is not just an academic view; elected officials frequently believe it too—the legitimacy of independent regulatory agencies is questionable at best. Actually, this perspective even questions the legitimacy of typical executive branch agencies. The President, one man, cannot possibly manage the executive branch as a whole. By necessity, he must leave much of the real work of government to lower-level administrators, whether political appointees or career executives. But if the President is supposed to control the actions of the executive branch

as a whole, how can the enormous discretion exercised by lower-level administrators be justified?

Opponents of the Fed's legitimacy, as we have seen, often use the Presidential view to delegitimize the institution. From 1981 to 1985, several scholars—most notably, Lester Thurow and Milton Friedman—proposed reforms to increase the President's authority over the Fed. According to Thurow, America should reform its monetary institutions, terminating the “division between economic power and political responsibility.” The Fed's independence should be abolished, with the monetary authority placed “under the jurisdiction of the elected leader of the nation—the President” (Thurow 1985 p. 325).

Members of Congress have made similar arguments. In 1982, Senator Alan Cranston introduced the Federal Reserve Reform Act, which not only would have made the Treasury Secretary an *ex-officio* member of the Board of Governors, but also would have coordinated the Chairman's and Vice Chairman's terms with the President's. In his remarks on this legislation, Cranston argued that the nation *should* go further than his proposal, ending the Fed's independence altogether. Ideally, he contended, the Fed should be made part of the Treasury Department, where it would be under the President's jurisdiction (*Congressional Record* April 21, 1982 p. 7319).

#### MONETARY AUTHORITY IS SPECIFICALLY GIVEN TO CONGRESS

Article I, Section 8 of the US Constitution provides *Congress* with the monetary authority, a fact opponents of the Fed's legitimacy point to with glee. Time and time again, the diehard opponents of the institution's legitimacy have connected their views to this clause, offering a decidedly simple argument. The Constitution provides Congress with the monetary authority, so the Fed's power is illegitimate. How can the Fed have a right to govern when doing so violates an explicit provision of the Constitution?

In 1971, Representative John Rarick of Louisiana noted that the “Founding Fathers placed the responsibility and the authority to adjust any credit or any flow of money in Congress”—but the Fed, he said, has usurped this right. That year, too, former Representative Jerry Voorhis argued that “private banks” illegitimately “coin our money and regulate its value.” In the process, the Fed removes “from the government and people of the United States a large chunk of their sovereignty, a large chunk of their taxing power, and the key to a prosperous economy without inflation” (*Congressional Record* September 28, 1971).

Even minor restrictions on the Fed's authority have been justified, at least in part, by Article I, Section 8. In 1975, Congress approved House Resolution 133, which began by observing that the Constitution “provides that Congress shall have the monetary power.” So the Fed is just the “agent” of the Congress, an institution with “the day-to-day responsibility for managing the money supply.” Although this resolution was not legally binding, Representative Reuss (like other opponents of the Fed's legitimacy) used the monetary authority argument to justify restricting the institution's independence. “We are talking directly to the Federal Reserve and establishing policy for them to follow,” he

argued (*Congressional Record* March 26, 1975 p. 8750). Congress has this right, according to Reuss, because the Constitution provides *it* with the monetary authority.

In the early 1980s, two state legislatures—Arizona’s and Indiana’s—passed resolutions condemning the Fed as illegitimate. Their resolutions were remarkably similar; each began by observing that Article I, Section 8 provides Congress with the monetary authority. Despite this Constitutional provision, the Federal Reserve Act of 1913 “transferred the power to borrow money on the credit of the United States to a consortium of private bankers,” in the Arizona legislature’s words (*Congressional Record* March 22, 1982 pp. 4897 – 4898). According to the resolutions passed by both states, Congress could not transfer its authority to administrative agencies. In consequence, Congress should abolish the Fed altogether.

This argument smuggles in a particular view of the American Constitution, one preventing Congress from delegating its legislative authority to administrative agencies. Actually, as I understand the Arizona and Indiana legislatures’ resolutions, they go far beyond what legal circles call the “nondelegation doctrine.” Under the nondelegation doctrine, Congress cannot delegate its legislative authority to administrative agencies *without adequate standards*. In the *Schechter* decision, the Court upheld delegation to the Federal Trade Commission (FTC) and the Interstate Commerce Commission (ICC), finding that Congress had provided adequate standards to guide the way these agencies use their delegated powers. Even if the Court revived the nondelegation doctrine, then, it could still hold that the Fed’s governing authority is constitutional.

But Congress has not provided the Fed with clearly defined standards for how to exercise its discretion—so the Court, if it revived the nondelegation doctrine, could very well reject the Fed (as it is presently constituted) as unconstitutional. In the monetary policy area, for example, Fed officials not only have to promote contradictory goals (full employment and low inflation), but also can use all the tools of monetary policy (open market operations, discount rate, required reserve ratio) as they see fit.

In a recent book, *Power Without Responsibility: How Congress Abuses the People Through Delegation*, David Schoenbrod urges the Court to adopt a *very strong* version of the nondelegation doctrine, one akin to the views of the Arizona and Indiana legislature’s.<sup>4</sup> Schoenbrod makes four central arguments against delegation. First, delegation “weakens democracy.” Second, it “endangers liberty.” Third, it “makes law less reasonable.” And, lastly, Congress “has enough time to make the laws,” despite

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<sup>4</sup> Schoenbrod leaves no doubt about how “radical” his position is, arguing that the “courts should bar delegation”:

The Supreme Court has always read Article I as implicitly limiting delegation. So the question is not whether, but rather to what extent, Article I prohibits Congress from delegating legislative power. Some early Supreme Court opinions suggest that the prohibition is total. Modern Supreme Court opinions hold that Congress may let others make the laws, as long as Congress describes the goals that those laws should achieve. *The early cases were right and the modern cases wrong* (Schoenbrod 1993 p. 156).

what the proponents of delegation claim. On the best interpretation of the Constitution, he believes, delegation of legislative power to administrative agencies is unconstitutional—and only the Supreme Court can stop this from happening. Accordingly, the Court should “enforce the Constitution’s provisions” by rejecting delegation.

If members of Congress and the president want to change the Constitution, let them take their case to the people by using their power to initiate the amendment process. I hope that they would lose. They deserve to lose. It’s time for a little *perestroika* on the Potomac (Shoenbrod 1993 pp. 196 – 197).

#### QUESTIONS ABOUT THE FED’S PUBLIC-PRIVATE CHARACTER

What role can *private officials*<sup>5</sup> legitimately play in a constitutional democracy like ours? What role can private institutions and private interests legitimately play in major administrative institutions such as the Fed? In my study, these questions have surfaced in three ways. First, some question the Reserve Bank Presidents’ right to serve as voting members of the FOMC—the body responsible for open-market operations, the major tool of monetary policy. Second, some question where the Reserve Bank officials’ public service ends and where their private loyalty begins. Third, some believe that the Fed is “captured” by the commercial banks, so the institution cannot in anyway promote the public interest.

Many elected officials and political activists have questioned the right of Reserve Bank Presidents to serve as voting members of the FOMC. Rep. Henry Reuss, one of the Fed’s most outspoken critics, attacked the FOMC’s membership, going so far as to challenge its constitutionality in federal court. According to Reuss, even if the Presidents were disinterested servants of the public interest, it “is still unconstitutional to have the powers of government exercised by anyone but government officials” (*Congressional Record* July 21, 1976 p. 23222). In academic circles, similar arguments have been made. Mark Bernstein’s 1989 article in the *Virginia Law Review*, for example, attacked the Presidents as private officials “selected by members of the banking community—the very constituents the FOMC is supposed to regulate.” To remedy the FOMC’s constitutional problems, Bernstein proposed a basic structural reform. The Federal Advisory Council, which consists of banking representatives, would *recommend* appointees to fill the five

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<sup>5</sup> Although the Reserve Bank Presidents are routinely referred to as “private officials,” I think a more accurate label is “quasi-private officials.” The Reserve Bank Presidents, it is true, are not appointed by the President and confirmed by the Senate—but the Reserve Bank Board of Directors appoints them, subject to approval by the Board of Governors in Washington, DC. Surely this counts as some public influence. (Can officials appointed in this way be justifiably declared purely private? purely public?) At the same time, the Reserve Bank Board of Directors consists of three Class C officials (one of which is the Chairman, another of which is the Vice Chairman) who are appointed directly by the Board of Governors, a public body. And the Class B directors, while elected by representatives of the commercial banks, are required by law to represent the public. So though the Reserve Banks themselves are owned by the commercial banks, their Presidents are not completely private officials; nor are they completely public officials. For better or worse, they are best described as “quasi-private” officials.



positions occupied by the Presidents now; but the President would ultimately decide who to appoint to these positions, subject to Senate confirmation (Bernstein 1989 p. 150).

Nor is constitutionality the only issue of public-private the opponents point to. For opponents of the Fed's legitimacy, serious questions must be asked about where Reserve Bank officials' loyalty lies. To what extent do they serve the public? To what extent do they represent private interests? In this vein, one of the concerns with the Reserve Bank Presidents' membership on the FOMC is their bias toward the interests of commercial banks. As James Pierce observed, bankers are more concerned about inflation than the rest of the public is—and the Reserve Bank Presidents “work with bankers and tend to identify with bankers' interests” (*Congressional Record* July 21, 1976 p. 23222).

When Reserve Bank officials lobby against anti-Fed legislation, too, serious questions of public and private are raised. During the early 1970s, Reserve Bank officials (along with Fed officials in Washington, DC) mounted a sustained defense against congressional efforts to audit the institution. In 1973 and 1974, Representative Patman believed that Fed officials “entered into some highly questionable lobbying tactics, ending up with the involvement of the big banks and the big business combines.” In 1975, in particular, Reserve Bank officials did not separate their “massive banking and business interests from their public duties.” To take just one example, John Lawrence—a director of the Federal Reserve Bank of Dallas—worked for Dresser Industries. At his direction, the company sent a “two-page single-spaced letter attacking the audit bill and urging its defeat” to Members of Congress. Malcolm Stamper, a Fed director who also served as President of Boeing Company, urged private organizations to oppose the GAO audit. According to Patman, these individuals and others like them have “combined and intertwined” their roles in business with their roles at the Fed:

I sincerely *question the propriety of this close link between a federal agency and the big business community*, and I think it is atrocious that this kind of corporate muscle is being combined with the Federal Reserve in a lobbying campaign [my emphasis] (*Congressional Record* June 19, 1975).

Over time, the close connections between Fed officials and private interests have led to the “capture” theory. The Fed, opponents claim, does not protect the needs of the public. Instead, it protects the interests of the commercial banks, making its power illegitimate. More than anyone else, Bernard Nossiter made this argument. He acknowledged the Fed's independence from elected officials, but believed it was *not* independent of the commercial banks. In Nossiter's opinion, the Fed simply “executes the narrow agenda of the commercial banks” (Nossiter 1990 p. 2). If this is so, the implications for the Fed's legitimacy are obvious enough.

In many ways, this whole problem is caused by the American desire to balance the public interest with private interests. The Fed itself emerged as a compromise solution between two groups—those who wanted purely private governance of the financial system and those who wanted purely public governance. When enacting both the Federal Reserve

Act of 1913 and the Banking Act of 1935, Members of Congress hoped to include private interests in public deliberations without damaging the public interest. Those who argue that the Fed *really* serves the interests of the commercial banks, however, do not believe this arrangement has worked the way it was intended to. At any rate, as a matter of principle, many of them reject such an arrangement out-of-hand.

### **FUTURE SCHOLARSHIP ON ADMINISTRATIVE LEGITIMACY**

What implications does my study have for research on administrative legitimacy? Where should scholarship go from here? I have several ideas.

First, scholars should recognize how valuable the theoretical work on administrative legitimacy is. In my literature review, I discussed the work of many scholars of public administration: Carl Friedrich, Herman Finer, John Rohr, Gary Wamsley, O.C. McSwite, Michael Spicer, Larry Terry, and others. Each of these scholars offered a general view of administrative legitimacy, justifying the administrative state *qua* administrative state; they did not conduct detailed research on the legitimacy of particular administrative institutions. By presenting a general view, a general philosophy if you will, they have forced us to consider the legitimacy of the administrative state as a whole, which is an important contribution to the literature.

Second, scholars should begin to *build on this work* by studying particular administrative institutions, whether at the federal or the state or the local level. While the more general literature is extremely valuable, it does raise a central question: What does this literature mean for particular administrative institutions? The administrative state, after all, is composed of many different agencies—some of which are in the executive branch hierarchy, some of which are independent regulatory commissions, some of which rely heavily on state and local administrators, some of which rely heavily on private contractors, and so on. It is not at all clear that *all of these agencies* are legitimate, even if the administrative state itself is. In the future, rather than studying and debating the legitimacy of the administrative state *per se*, scholars should examine particular administrative institutions. Of particular importance to study, I believe, are administrative institutions—like the Fed—that combine considerable power with considerable independence. Studies of other independent regulatory commissions, then, may be useful.

Third, scholars should use different methodologies to study administrative legitimacy. When studying particular administrative institutions, they could focus primarily on the public argument, as I did. Or they could incorporate the institutional-environmental interactions, something I also did to an extent. Or they could make their own argument about why an agency is legitimate, or why it is not. To do so, they could use some of the more theoretical literature to make their case; perhaps some of the central themes used to legitimate the Fed could help as well. By conducting different studies and using different methodologies, we will expand our understanding of public administration in general and administrative legitimacy in particular. Surely *that* is a worthwhile endeavor.

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