

**THE POWER AND
INDEPENDENCE OF
THE FEDERAL RESERVE**

PETER CONTI-BROWN

PRINCETON UNIVERSITY PRESS
PRINCETON AND OXFORD

CONTENTS

<i>PREFACE</i>	<i>ix</i>
<i>INTRODUCTION: ULYSSES AND THE CHAPERONE</i>	<i>1</i>
PART I. The Federal Reserve Is a “They,” Not an “It”	13
CHAPTER 1	
The Three Foundings of the Federal Reserve	15
CHAPTER 2	
Leadership and Institutional Change: From Periphery to Power	40
CHAPTER 3	
Central Banking by Committee: The Authority of the Fed’s Board of Governors	69
CHAPTER 4	
The “Double Government” of the Federal Reserve: The Economists and the Lawyers	84
CHAPTER 5	
The Vestigial and Unconstitutional Federal Reserve Banks	103
PART II. The Five Hundred Hats of the Federal Reserve	127
CHAPTER 6	
Practicing Monetary Policy: The Rise and Fall of the Chaperone	129
CHAPTER 7	
The Once and Future Federal Reserve: The Fed’s Banking Functions	149

PART III. The Sirens of the Federal Reserve	177
CHAPTER 8	
The President and the Federal Reserve: The Limits of Law and the Power of Relationships	179
CHAPTER 9	
Congress and the Fed: The Curious Case of the Fed's Budgetary Autonomy	199
CHAPTER 10	
Club Fed: The Communities of the Federal Reserve	218
PART IV. The Democratic Demands of Fed Governance: Reforming the Fed by Choosing the Chaperone	237
CHAPTER 11	
Proposals	239
 <i>CONCLUSION:</i>	
<i>THE FREEMASONS AND THE FEDERAL RESERVE</i>	267
<i>ACKNOWLEDGMENTS</i>	271
<i>NOTES</i>	277
<i>BIBLIOGRAPHY</i>	313
<i>INDEX</i>	341