

CONTENTS

<i>Preface</i>	ix
1. Introduction: Power, Welfare, Incentives, Values	1
PART I. WELFARE: The Problem, and a Possible Solution	25
2. The Evolution of the Administrative State	27
3. The Purposes and Functional Modes of the Administrative State: Market Failure and Government Failure	48
4. The Structure of the Administrative State: A Hierarchy from Simple Agents to Trustees (and Guardians)	72
5. Principles for Whether to Delegate to Independent Agencies: Credible Commitment to Settled Goals	92
6. Design Precepts for How to Delegate to Independent Agencies	109
7. Applying the Principles for Delegation	127
PART II. VALUES: Democratic Legitimacy for Independent Agencies	147
8. Independent Agencies and Our Political Values and Beliefs (1): Rule of Law and Constitutionalism	173
9. Independent Agencies and Our Political Values and Beliefs (2): The Challenges to Delegation-with-Insulation Presented by Democracy	195
10. Credible Commitment versus Democracy: Agencies versus Judges	221
11. The Political-Values-and-Norms Robustness Test of the Principles for Delegation	236

vi ■ CONTENTS

12. Insulated Agencies and Constitutionalism: Central Bank Independence Driven by the Separation of Powers but Not a Fourth Branch	272
PART III. INCENTIVES: The Administrative State in the Real World; Incentives and Values under Different Constitutional Structures	293
13. States' Capacity for Principled Delegation to Deliver Credible Commitment	307
14. The Problem of Vague Objectives: A Nondelegation Doctrine for IAs	334
15. Processes, Transparency, and Accountability: Legal Constraints versus Political Oversight	349
16. The Limits of Design: Power, Emergencies, and Self-Restraint	378
PART IV. POWER: Overmighty Citizens? The Political Economy of Central Banking; Power, Legitimacy, and Reconstruction	391
17. Central Banking and the Politics of Monetary Policy	405
18. The Shift in Ideas: Credibility as a Surprising Door to Legitimacy	414
19. Tempting the Gods: Monetary Regime Orthodoxy before the Crisis	426
20. A Money-Credit Constitution: Central Banks and Banking Stability	438
21. Central Banking and the Regulatory State: Stability Policy	461
22. Central Banking and the Fiscal State: Balance-Sheet Policy and the Fiscal Carve-Out	482
23. Central Banks and the Emergency State: Lessons from Military/Civilian Relations for the Lender of Last Resort	503

24. Overmighty Citizens After All? Threats and Reconfigurations	525
Conclusion: Unelected Democrats: Citizens in Service, Not in Charge	546
<i>Appendix: The Principles for Delegation to Independent Agencies Insulated from Day-to-Day Politics</i>	569
<i>Acknowledgments</i>	573
<i>Bibliography</i>	579
<i>Index</i>	611