

NATIONAL BUREAU OF ECONOMIC RESEARCH, INC.
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Housing and Mortgage Markets in Historical Perspective
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**A HISTORICAL PERSPECTIVE ON NBER RESEARCH
INTO HOUSING AND MORTGAGE MARKETS**

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Conference Organizers

We were delighted to be invited by Jim Poterba to organize the 2011 Universities Research Conference around the theme of “Housing and Mortgage Markets in Historical Perspective.” The topic is of particular interest because of the central role that residential housing is playing in our current “Great Recession” and all of the papers in this conference speak to historical experience that can shed light on elements of the recent crisis. We believe that together they shed fresh, relevant and valuable insights into how housing and mortgage markets work and how they sometimes fail.

NBER’s sponsorship of this conference is appropriate as well as timely because the research presented at this conference—and nearly all research into pre-1960 U.S. housing markets—relies so heavily on a large body of research that was conducted under the auspices of the NBER between 1940 and 1970. The purpose of this short note is to acknowledge these earlier NBER efforts and to inform conference participants and others about the value, quality and ongoing relevance of these earlier efforts. To that end we list below NBER monographs on “historical” residential housing and mortgage markets that are available on Bureau’s website. We also indicate within this bibliography how extensively these sources have been used by conference participants and its organizers in their own recent research.

It makes sense for the scholars that were intimately associated with these efforts to provide an introduction and to establish context for the bibliography that follows. For this purpose we have chosen excerpts from the introductions to three of the monographs.

From the Foreward to Morton (1954)

The plan of Professor Morton's study of the comparative markets and experience of the major mortgage lending agencies was drawn with two principal purposes in mind. The first was to summarize the factual materials bearing on the markets and lending experience of specific institutions that have been developed in the mortgage lending studies made under the National Bureau's Urban Real Estate Finance Project; the second was to supplement these materials with information on mutual savings banks, which were not covered in the National Bureau's monographs, and on the mortgage market as a whole, in order to place the activities and experience of each of the principal lending agencies in proper perspective. Developed on this design, the study accomplishes more than a mere summary of facts pertaining to mortgage

lending institutions; its cross-institutional comparisons contribute significantly to our understanding of the supply side of the mortgage market, and its review of risk studies in this field brings into sharper focus the lessons that may be learned from the mortgage investment experience of the last thirty years.

R. J. SAULNIER, Director, Financial Research Program, December 1954

From the Foreward to Grebler, Blank and Winnick (1956)

This is the first in a series of monographs from an inquiry initiated by the National Bureau of Economic Research in mid-1950, with the financial assistance of the Life Insurance Association of America. The inquiry examines long-term trends in capital formation and financing in the United States for whatever light these may shed on future prospects. The study is organized primarily about the principal capital-using and -demanding sectors of the economy—agriculture, mining, manufacturing, public utilities, residential real estate, governments, and the foreign sector.

Drs. Grebler, Blank, and Winnick report on the longer-term trends in capital formation and financing in residential real estate, i.e. those movements that persist not only through the shorter business cycles but also through the longer swings of some twenty years in duration... The analysis of the factors that have determined the long-term trends in the volume of capital formation in residential construction and in the sources of its financing is of major interest. This account shows how closely these factors reflect the entire growth pattern of our country: the demographic patterns that determine the magnitude of the population increase and the additions of new dwelling units; the adaptation of the population to changing economic and other opportunities which takes the form of internal migration, whether from the country to the city, from the city to the suburbs, or from one region to another; the complex of technological changes which provide new opportunities, either in more effective production processes or in new products, and which affect housing either through changes in housing technology or through encouragement of competing demands for non-housing products; the change in consumer tastes—partly the effect of changing technology and partly the effect of a general rise in the standard of living and unequal long-term elasticity of demand for various goods.

SIMON KUZNETS, 1956

From the Foreward to Klamman (1961)

This is not the first time that the National Bureau of Economic Research has turned its attention to the market for residential real estate. One of its first publications dealing with it, Wickens' Residential Real Estate of 1941, may well be regarded as one of the starting points of serious detailed statistical study in the field. The six volumes reporting the Studies in Urban Mortgage Financing, mostly published from 1950 to 1952, and Capital Formation in Residential Real Estate, by Grebler, Blank, and Winnick, published in 1956, represented later substantial contributions to our knowledge of that market. They deal, however, primarily with developments before or immediately after World War II. Klamman's book, in keeping with the program of the Postwar Capital Market Study, concentrates on the financial side of the market for residential real estate, and within that field is limited to the use of credit in financing the construction and sale of dwellings...

RAYMOND W. GOLDSMITH, Director, Postwar Capital Market Study, 1961

**NBER MONOGRAPHS ON RESIDENTIAL HOUSING MARKETS 1940-1970
(with citations from URC conference papers and recent NBER working Papers)**

Over the past decade scholars have relied heavily on early NBER-sponsored research as interest in the history of the housing and mortgage markets has increased. Below we list the complete set of NBER resources that are available on the Bureau's website and indicate in bold the conference papers, as well as recent NBER working papers by the conference organizers that cite each monograph. [The references for our working papers follow the bibliography.]

Residential Real Estate: Its Economic Position as Shown by Values, Rents, Family Incomes, Financing, and Construction, Together with Estimates for All Real Estate Gjerstad and Smith; Brocker and Hanes	David L. Wickens	(1941)
Urban Mortgage Lending by Life Insurance Companies Field; Chambers, Garriga and Schlagenhaut; Snowden;	Raymond J. Saulnier	(1950)
The Impact of Government on Real Estate Finance in the US	Miles L. Colean	(1950)
Urban Real Estate Markets: Characteristics and Financing Field; Gjerstad and Smith; Brocker and Hanes; Snowden; White	Ernest M. Fisher	(1951)
History and Policies of the Home Owners' Loan Corporation Fishback et al; Courtemanche and Snowden; Snowden	C. Lowell Harriss	(1951)
Commercial Bank Activities in Urban Mortgage Financing Chambers, Garriga and Schlagenhaut; Snowden;	Carl F. Behrens	(1952)
The Role of Federal Credit Aids in Residential Construction	Leo Grebler	(1953)
The Volume of Residential Construction, 1889-1950	David M. Blank	(1954)
Urban Mortgage Lending: Comparative Markets and Experience Chambers, Garriga and Schlagenhaut; Gjerstad and Smith; Snowden; White;	J. E. Morton	(1956)
Capital Formation in Residential Real Estate: Trends and Prospects Field; Chambers, Garriga and Schlagenhaut; Gjerstad and Smith; Brocker and Hanes; Fishback et al; Snowden; White;	Leo Grebler, David M. Blank Louis Winnick	(1956)

Federal Lending: Its Growth and Impact	Raymond J. Saulnier, Harold G. Halcrow, Neil H. Jacoby	(1957)
The Volume of Mortgage Debt in the Postwar Decade	Saul B. Klaman	(1958)
Federal Lending and Loan Insurance	Raymond J.Saulnier, Harold G. Halcrow, Neil H. Jacoby	(1958)
The Postwar Rise of Mortgage Companies Snowden;	Saul B. Klaman	(1959)
Housing Issues in Economic Stabilization Policy Fetter;	Leo Grebler	(1960)
The Postwar Residential Mortgage Market Fetter; Chambers, Garriga and Schlagenhauf;	Saul B. Klaman	(1961)
Evidences of Long Swings in Aggregate Construction Since the Civil War	Moses Abramovitz	(1964)
Estimates of Residential Building, United States, 1840-1939	Gottlieb, Manuel	(1964)
Home Mortgage Delinquency and Foreclosure Fetter; Chambers, Garriga and Schlagenhauf;	John P. Herzog James S. Earley	(1970)

Fishback, Price, Shawn Kantor, Alfonso Flores-Lagunes, William Horrace, and Jaret Treber. 2010. "The Influence of the Home Owners' Loan Corporation on Housing Markets During the 1930s," NBER Working Paper w15824.

Courtemanche, Charles and Kenneth Snowden. 2010. "Repairing a Mortgage Crisis: HOLC Lending and Its Impact on Local Housing Markets," NBER Working Paper no. w16245.

Snowden, Kenneth. 2010. "The Anatomy Of A Residential Mortgage Crisis: A Look Back To The 1930s," NBER Working Paper w16244.

White, Eugene N. 2009. "Lessons from the Great American Real Estate Boom and Bust of the 1920s," NBER Working Paper w15573.