

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: Housing Issues in Economic Stabilization Policy

Volume Author/Editor: Leo Grebler

Volume Publisher: UMI

Volume ISBN: 0-87014-386-7

Volume URL: <http://www.nber.org/books/greb60-1>

Publication Date: 1960

Chapter Title: Front matter, Housing Issues in Economic Stabilization Policy

Chapter Author: Leo Grebler

Chapter URL: <http://www.nber.org/chapters/c2408>

Chapter pages in book: (p. -16 - 0)

Housing Issues in Economic Stabilization Policy

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UNIVERSITY OF CALIFORNIA, LOS ANGELES

OCCASIONAL PAPER 72

NATIONAL BUREAU OF ECONOMIC RESEARCH, INC.

1960

Distributed by Columbia University Press: New York and London

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LIBRARY OF CONGRESS CATALOG CARD NUMBER: 59-12552

PRICE: \$2.75

Printed in the United States of America

2,005,996

National Bureau of Economic Research, Inc.

Grebler, Leo.

Housing issues in economic stabilization policy. (New
York, National Bureau of Economic Research, 1960.

xi, 120 p. diagrs., tables. 23 cm. (National Bureau of Economic
Research. Occasional paper 72)

Bibliographical footnotes.

1. Construction industry—U. S. 2. Housing—U. S. I. Title.
(Series)

H11.N2482 no. 72

332.720978

59-12552

MATERIAL SUBMITTED BY PUBLISHER.

11
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2,005,996

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Housing issues in economic stabilization policy. (New York, National Bureau of Economic Research, 1960.

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H11.N2432 no. 72

332.720978

59-12552

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Preface

This paper represents an extension of my previous writings on the relation between economic stabilization policies and governmental housing credit programs. Service on the staff of the Council of Economic Advisers from the spring of 1955 to mid-1957 gave me many new operational insights into the subject. Distillation of this kind of intimate experience, it seems to me, is a worth-while endeavor and an indispensable means of progressing toward better understanding of complex issues. But it is not without hazards. I can only hope that both training and temperament have enabled me to take a reasonably objective view of developments in which I participated at the staff level of the Council. I have also made a conscientious effort to avoid being led or misled, as the case may be, by positions taken in my previous brushes with the subject.

The paper is essentially an appraisal of the 1953-1957 record of governmental housing credit policies in relation to general economic stabilization policies. Extending the story beyond this period would have added little to the analysis of fundamental issues. All of these are sufficiently illuminated by the 1953-1957 experience. For this reason, I resisted the temptation to bring the record up to date and, in the process, incur the risk of offering conclusions on developments too recent for detailed analysis.

I am indebted to many of my colleagues at the National Bureau of Economic Research for comments on draft materials, and foremost to Arthur F. Burns and Solomon Fabricant, who encouraged me to undertake this essay. Miss Herta Horny gave valuable research assistance in preparing the paper. My sincere thanks go to Mr. H. Irving Forman, who drew the charts, and Mrs. Rose Altman for helping see the paper through its final stages.

I also wish to acknowledge the contribution of many specialists in

Preface

federal agencies and others who kindly reviewed a draft: H. R. Bivens, David Blank, Phil N. Brownstein, Arnold E. Chase, Miles L. Colean, Robert C. Colwell, Joseph R. Ewers, Ernest M. Fisher, James M. Gillies, Jack Guttentag, Frederick O'R. Hayes, Mortimer Kaplan, Saul B. Klamon, Clarence D. Long, Dave Lowery, Sherman J. Maisel, M. Carter McFarland, Frank G. Mittelbach, Geoffrey H. Moore, Roger F. Murray, Robinson Newcomb, J. E. Reeve, Nathaniel H. Rogg, Henry Schecter, John M. Suiter, Robert C. Turner, Marvin Wilkerson, Louis Winnick, and Ramsay Wood. The usual absolution of any responsibility on their part for my conclusions applies especially in this case, partly because I know of their disagreements and partly because of the restraints under which staff members of federal agencies necessarily operate.

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