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Volume Title: Federal Lending and Loan Insurance

Volume Author/Editor: Raymond J.Saulnier, Harold G. Halcrow, and Neil H. Jacoby

Volume Publisher: Princeton University Press

Volume ISBN: 0-870-14152-X

Volume URL: <http://www.nber.org/books/saul58-1>

Publication Date: 1958

Chapter Title: Front matter, Federal Lending and Loan Insurance

Chapter Author: Raymond J. Saulnier, Harold G. Halcrow, Neil H. Jacoby

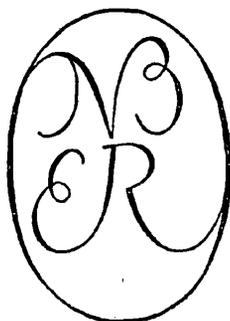
Chapter URL: <http://www.nber.org/chapters/c2568>

Chapter pages in book: (p. -32 - 0)

# Federal Lending and Loan Insurance

BY

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HAROLD G. HALCROW  
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A STUDY BY THE  
NATIONAL BUREAU OF ECONOMIC RESEARCH, NEW YORK

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PUBLISHED BY

PRINCETON UNIVERSITY PRESS, PRINCETON

1958

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London: Oxford University Press

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L.C. CARD 57-5480

Printed in the United States of America  
by Princeton University Press at Princeton, New Jersey

Federal Lending  
and Loan Insurance

◊NATIONAL BUREAU OF ECONOMIC RESEARCH  
FINANCIAL RESEARCH PROGRAM

2,005,993

National Bureau of Economic Research, Inc.

**Saulnier, Raymond Joseph, 1908-**

Federal lending and loan insurance, by R. J. Saulnier, Harold G. Halerow (and), Neil H. Jacoby. A study by the National Bureau of Economic Research, New York. Princeton, Princeton University Press, 1958.

xxx, 566 p. Illus. 24 cm.

Bibliographical footnotes.

1. Government lending—U. S. 2. Insurance, Government—U. S.  
I. National Bureau of Economic Research. II. Title.

HG3729.U5S32

332.7

57-5480

MATERIAL SUBMITTED BY PUBLISHER.



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## PREFACE

THIS study of federal credit programs was started in 1951 and put into preliminary draft form in late 1952. Following suggestions received from National Bureau staff members, and from a sizable number of readers outside that group, the preliminary manuscript was extensively reorganized, resulting in the present version.

Several factors combined to cause this long interval between the completion of the first draft and the circulation of the present version. First, the team of collaborators—Professor Harold G. Halcrow of the University of Connecticut, Professor Neil H. Jacoby of the University of California at Los Angeles, and myself—was dispersed in 1952, two of us entering public service. The situation was saved only by the fact that we were able to delegate much of the work to two of our principal assistants—Catherine Martin and Mary Phelps. This was concluded with what we regard as the happiest of results. Second, delays caused by revisions in a manuscript of this sort tend to pyramid. Certainly they did so in this case, in which the reorganization of the study took so much time that it was necessary to bring many of the series up to date, which in turn was a time-consuming process.

The authors are indebted to many others for assistance received at various stages of the study's preparation. Professor George K. Brinegar of the University of Connecticut worked continuously with Dr. Halcrow; and Dr. Jacoby and I had the help of Henry K. Krauskopf, now of Quinnipiac College, in developing estimates of the volume and outstanding amount of federal credit aids and in completing the special analyses of RFC's business lending programs. In my studies of housing credit I benefited greatly from the assistance of Gerald Sirkin and Philip Golden. Our indebtedness to Catherine P. Martin, who designed plans for the compilation of many of the statistical materials on which the study is based, and supervised much of their compilation and processing, and to Mary Phelps, who edited all, and redrafted much, of the text, has been acknowledged above. Heavy as are our obligations to these able assistants, it is understood, of course, that the collaborators themselves are wholly responsible for the accuracy of the facts presented and for the interpretations placed upon them. Since the manuscript was first circulated in mimeographed form in early 1953, the authors have had the benefit of a number of suggestions aimed at improving its

## PREFACE

factual and analytical parts. Among these the comments of Geoffrey H. Moore and George Stigler of the National Bureau's staff, Earl Rolph of the University of California at Berkeley, Fred E. Case and J. Fred Weston of the University of California at Los Angeles, Morris A. Copeland of Cornell University, Lewis H. Kimmel of the Brookings Institution, have been especially helpful.

No study of this kind could be made without the full cooperation of the federal agencies involved, and we have been fortunate in having this help in full measure. The list of agencies that provided us with special tabulations is a long one and perhaps may be omitted here in view of the fact that specific acknowledgments of sources are made in the text. We are deeply grateful to all the agencies, but I should like especially to express our gratitude to the Board and Staff of the now liquidated Reconstruction Finance Corporation, particularly to Robert W. Benner, Chief of the Economic Analysis Staff, through whose good offices we put together a more complete account and appraisal of the business lending activities of that agency than has previously been available.

The work was undertaken in 1951 under a grant of funds from the Trustees of the Banking Research Fund of the Association of Reserve City Bankers. It is a pleasure to record the National Bureau's appreciation of this support of its Financial Research Program

R. J. SAULNIER

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*May 14, 1956*

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