

This PDF is a selection from a published volume from the National Bureau of Economic Research

Volume Title: Housing and Mortgage Markets in Historical Perspective

Volume Author/Editor: Eugene N. White, Kenneth Snowden, and Price Fishback, editors

Volume Publisher: University of Chicago Press

Volume ISBN: 0-226-07384-X (cloth); 978-0-226-07384-2 (cloth); 978-0-226-09328-4 (EISBN)

Volume URL: <http://www.nber.org/books/fish12-2>

Conference Date: September 23-24, 2011

Publication Date: July 2014

Chapter Title: Front matter to "Housing and Mortgage Markets in Historical Perspective"

Chapter Author(s): Kenneth Snowden, Eugene N. White, Price Fishback

Chapter URL: <http://www.nber.org/chapters/c13750>

Chapter pages in book: (p. i - x)

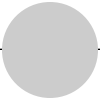
---

# **Housing and Mortgage Markets in Historical Perspective**



---

**A National Bureau  
of Economic Research  
Conference Report**



---

# **Housing and Mortgage Markets in Historical Perspective**

---

Edited by

**Eugene N. White, Kenneth Snowden,  
and Price Fishback**

**The University of Chicago Press**

Chicago and London

---

EUGENE N. WHITE is Distinguished Professor of Economics at Rutgers University and a research associate of the National Bureau of Economic Research. KENNETH SNOWDEN is professor of economics at the University of North Carolina at Greensboro and a research associate of the National Bureau of Economic Research. PRICE FISHBACK is the Thomas R. Brown Professor of Economics at the University of Arizona and a research associate of the National Bureau of Economic Research.

---

The University of Chicago Press, Chicago 60637  
The University of Chicago Press, Ltd., London  
© 2014 by the National Bureau of Economic Research  
All rights reserved. Published 2014.  
Printed in the United States of America

23 22 21 20 19 18 17 16 15 14 1 2 3 4 5  
ISBN-13: 978-0-226-07384-2 (cloth)  
ISBN-13: 978-0-226-09328-4 (e-book)  
DOI: 10.7208/chicago/9780226093284.001.0001

Library of Congress Cataloging-in-Publication Data

Housing and mortgage markets in historical perspective / edited by  
Eugene N. White, Kenneth Snowden, and Price Fishback.

pages cm. — (National Bureau of Economic Research conference report)

“Early versions of many of the papers in this volume were presented at a Universities-Research Conference on Housing and Mortgage Markets in Historical Perspective held in Cambridge, Massachusetts, on September 23 and 24 in 2011”—ECIP data.

Includes bibliographical references and index.

ISBN 978-0-226-07384-2 (cloth : alk. paper) — ISBN 978-0-226-09328-4 (e-book)

1. Residential real estate—United States—History. 2. Housing—Prices—United States—History. 3. Mortgage loans—United States—History. 4. Housing policy—United States—History. I. White, Eugene Nelson, 1952– editor of compilation. II. Snowden, Kenneth A., editor of compilation. III. Fishback, Price Van Meter, editor of compilation. IV. Series: National Bureau of Economic Research conference report.

HD7293.Z9H6775 2014

333.33'80973—dc23

2013040456

⊗ This paper meets the requirements of ANSI/NISO Z39.48-1992 (Permanence of Paper).

---

## National Bureau of Economic Research

### Officers

Kathleen B. Cooper, *chairman*  
Martin B. Zimmerman, *vice chairman*  
James M. Poterba, *president and chief executive officer*  
Robert Mednick, *treasurer*

Kelly Horak, *controller and assistant corporate secretary*  
Alterra Milone, *corporate secretary*  
Gerardine Johnson, *assistant corporate secretary*

### Directors at Large

Peter C. Aldrich  
Elizabeth E. Bailey  
John H. Biggs  
John S. Clarkeson  
Don R. Conlan  
Kathleen B. Cooper  
Charles H. Dallara  
George C. Eads  
Jessica P. Einhorn

Mohamed El-Erian  
Linda Ewing  
Jacob A. Frenkel  
Judith M. Gueron  
Robert S. Hamada  
Peter Blair Henry  
Karen N. Horn  
John Lipsky  
Laurence H. Meyer

Michael H. Moskow  
Alicia H. Munnell  
Robert T. Parry  
James M. Poterba  
John S. Reed  
Marina v. N. Whitman  
Martin B. Zimmerman

### Directors by University Appointment

George Akerlof, *California, Berkeley*  
Jagdish Bhagwati, *Columbia*  
Timothy Bresnahan, *Stanford*  
Alan V. Deardorff, *Michigan*  
Ray C. Fair, *Yale*  
Edward Foster, *Minnesota*  
John P. Gould, *Chicago*  
Mark Grinblatt, *California, Los Angeles*

Bruce Hansen, *Wisconsin–Madison*  
Marjorie B. McElroy, *Duke*  
Joel Mokyr, *Northwestern*  
Andrew Postlewaite, *Pennsylvania*  
Uwe E. Reinhardt, *Princeton*  
Richard L. Schmalensee, *Massachusetts Institute of Technology*  
David B. Yoffie, *Harvard*

### Directors by Appointment of Other Organizations

Bart van Ark, *The Conference Board*  
Jean-Paul Chavas, *Agricultural and Applied Economics Association*  
Martin Gruber, *American Finance Association*  
Ellen L. Hughes-Cromwick, *National Association for Business Economics*  
Thea Lee, *American Federation of Labor and Congress of Industrial Organizations*

William W. Lewis, *Committee for Economic Development*  
Robert Mednick, *American Institute of Certified Public Accountants*  
Alan L. Olmstead, *Economic History Association*  
Peter L. Rousseau, *American Economic Association*  
Gregor W. Smith, *Canadian Economics Association*

### Directors Emeriti

Glen G. Cain  
Carl F. Christ  
Franklin Fisher  
George Hatsopoulos

Saul H. Hymans  
Rudolph A. Oswald  
Peter G. Peterson  
Nathan Rosenberg

John J. Siegfried  
Craig Swan

## **Relation of the Directors to the Work and Publications of the National Bureau of Economic Research**

1. The object of the NBER is to ascertain and present to the economics profession, and to the public more generally, important economic facts and their interpretation in a scientific manner without policy recommendations. The Board of Directors is charged with the responsibility of ensuring that the work of the NBER is carried on in strict conformity with this object.

2. The President shall establish an internal review process to ensure that book manuscripts proposed for publication DO NOT contain policy recommendations. This shall apply both to the proceedings of conferences and to manuscripts by a single author or by one or more co-authors but shall not apply to authors of comments at NBER conferences who are not NBER affiliates.

3. No book manuscript reporting research shall be published by the NBER until the President has sent to each member of the Board a notice that a manuscript is recommended for publication and that in the President's opinion it is suitable for publication in accordance with the above principles of the NBER. Such notification will include a table of contents and an abstract or summary of the manuscript's content, a list of contributors if applicable, and a response form for use by Directors who desire a copy of the manuscript for review. Each manuscript shall contain a summary drawing attention to the nature and treatment of the problem studied and the main conclusions reached.

4. No volume shall be published until forty-five days have elapsed from the above notification of intention to publish it. During this period a copy shall be sent to any Director requesting it, and if any Director objects to publication on the grounds that the manuscript contains policy recommendations, the objection will be presented to the author(s) or editor(s). In case of dispute, all members of the Board shall be notified, and the President shall appoint an ad hoc committee of the Board to decide the matter; thirty days additional shall be granted for this purpose.

5. The President shall present annually to the Board a report describing the internal manuscript review process, any objections made by Directors before publication or by anyone after publication, any disputes about such matters, and how they were handled.

6. Publications of the NBER issued for informational purposes concerning the work of the Bureau, or issued to inform the public of the activities at the Bureau, including but not limited to the NBER Digest and Reporter, shall be consistent with the object stated in paragraph 1. They shall contain a specific disclaimer noting that they have not passed through the review procedures required in this resolution. The Executive Committee of the Board is charged with the review of all such publications from time to time.

7. NBER working papers and manuscripts distributed on the Bureau's web site are not deemed to be publications for the purpose of this resolution, but they shall be consistent with the object stated in paragraph 1. Working papers shall contain a specific disclaimer noting that they have not passed through the review procedures required in this resolution. The NBER's web site shall contain a similar disclaimer. The President shall establish an internal review process to ensure that the working papers and the web site do not contain policy recommendations, and shall report annually to the Board on this process and any concerns raised in connection with it.

8. Unless otherwise determined by the Board or exempted by the terms of paragraphs 6 and 7, a copy of this resolution shall be printed in each NBER publication as described in paragraph 2 above.

---

# Contents

---

Acknowledgments	ix
<b>Introduction</b>	1
Kenneth Snowden, Eugene N. White, and Price Fishback	
<b>1. A Historiography of Early NBER Housing and Mortgage Research</b>	15
Kenneth Snowden	
<b>I. HOUSING AND THE INTERWAR BUSINESS CYCLES</b>	
<b>2. The Interwar Housing Cycle in the Light of 2001–2012: A Comparative Historical Perspective</b>	39
Alexander J. Field	
<b>3. Consumption and Investment Booms in the 1920s and Their Collapse in 1930</b>	81
Steven Gjerstad and Vernon L. Smith	
<b>4. Lessons from the Great American Real Estate Boom and Bust of the 1920s</b>	115
Eugene N. White	



## II. A CLOSER LOOK AT THE INTERWAR HOUSING CRISIS

- 5. The 1920s American Real Estate Boom and the Downturn of the Great Depression: Evidence from City Cross-Sections** 161  
Michael Brocker and Christopher Hanes
- 6. New Multicity Estimates of the Changes in Home Values, 1920–1940** 203  
Price Fishback and Trevor Kollmann
- 7. The Prolonged Resolution of Troubled Real Estate Lenders during the 1930s** 245  
Jonathan D. Rose

## III. SECURITIZATION IN EARLIER TIMES

- 8. Dutch Securities for American Land Speculation in the Late Eighteenth Century** 287  
Rik Frehen, William N. Goetzmann,  
and K. Geert Rouwenhorst
- 9. Lending to Lemons: Landschaft Credit in Eighteenth-Century Prussia** 305  
Kirsten Wandschneider

## IV. POSTWAR HOUSING POLICIES

- 10. The Twentieth-Century Increase in US Home Ownership: Facts and Hypotheses** 329  
Daniel K. Fetter
- 11. Did Housing Policies Cause the Postwar Boom in Home Ownership?** 351  
Matthew Chambers, Carlos Garriga,  
and Don E. Schlagenhauf
- Contributors 387  
Author Index 389  
Subject Index 393

---

## Acknowledgments

---

We would like to acknowledge our debts to a number of people who contributed to the development and publication of this book. Early versions of many of the chapters in this volume were presented at a Universities-Research Conference on Housing and Mortgage Markets in Historical Perspective held in Cambridge, Massachusetts, on September 23–24, 2011. The National Bureau of Economic Research sponsored and provided the funding for the conference. We owe special thanks to Jim Poterba and Claudia Goldin for their enthusiasm and encouragement as we developed the idea for the conference. They insisted that we should publish this volume and have been very generous in their support.

The discussants of the papers at the conference were Gary Richardson, Susan Wachter, Shawn Kantor, Ed Glaeser, Jim Kau, Andra Ghent, Kris Mitchener, and David Wheelock. Their presented and written comments offered valuable insights that helped to greatly improve the revisions of the papers and our editorial suggestions. In addition, there were a number of other scholars at the conference who contributed to the conversations about the papers. We also thank the anonymous reviewers of the book proposal who provided valuable guidance for organizing the book, as well as useful comments to the authors.

We are most thankful for the help of the NBER's conference staff—Carl Beck, Rob Shannon, Lita Kimble, and Brett Maranjian—who organized a seamless conference. Most importantly and notably among the other NBER staff, we thank Helena Fitz-Patrick for her many patient hours of editing and formatting the manuscript. We would also like to thank our editor at the University of Chicago Press, Joe Jackson, for ably squiring us through the publication process.

