

[Home](#) > [Journal of Financial Services Research](#) > [Article](#)

# Federal Home Loan Bank Lending to Community Banks: Are Targeted Subsidies Desirable?

| Published: February 2003

| Volume 23, pages 5–28, (2003) [Cite this article](#)



[Journal of Financial Services](#)

## Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 93 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:



- > **Store and/or access information on a device**
- > **Personalised advertising and content, advertising and content measurement, audience research and services development**

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

reject the hypothesis that access to increased funds will increase the amount of small-business loans made by community banks.

 This is a preview of subscription content, [log in via an institution](#)  to check access.

### Access this article

Log in via an institution →

### Subscribe and save

✓ Springer+

from €37.37 /Month

## Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 93 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **[privacy policy](#)** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

#### Store and/or access information on a device

#### Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

Reject optional cookies

Manage preferences

## Explore related subjects

Discover the latest articles, books and news in related subjects, suggested using machine learning.

[Development Policy](#)

[Economic Policy](#)

[Microfinance](#)

[Public Policy](#)

[Taxation Policy](#)

[Welfare](#)

## References

### Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 93 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

**Store and/or access information on a device**

**Personalised advertising and content, advertising and content measurement, audience research and services development**

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Congressional Budget Office. *Federal Subsidies and the Housing GSEs*. Washington, DC: Government Printing Office, 2001.

[Google Scholar](#)

Congressional Budget Office. *Assessing the Public Costs and Benefits of Fannie Mae and Freddie Mac*. Washington, DC: Government Printing Office, 1996.

[Google Scholar](#)

Craig, Ben R., and James B. Thomson. "Federal Home Loan Bank Lending to Community Banks: Are Targeted Subsidies Necessary?" Federal Reserve Bank of Cleveland Working Paper 0112, August, 2001.

## Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 93 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

**Store and/or access information on a device**

**Personalised advertising and content, advertising and content measurement, audience research and services development**

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Securitization: Do They Lower Mortgage Rates?" Finance and Economics Discussion Series 2000-44, Federal Reserve Board, Washington, DC, 2000.

[Google Scholar](#)

Jackson, William, III. "Market Structure and the Speed of Price Adjustments: Evidence of Non-Monotonicity." *Review of Industrial Organization* 12 (1997), 37-57.

[Google Scholar](#)

Kane, E. J. "Housing Finance GSEs: Who Gets the Subsidy?" *Journal of Financial Services Research* 15,no. 3 (1999), 197-209.

[Google Scholar](#)

## Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 93 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

**Store and/or access information on a device**

**Personalised advertising and content, advertising and content measurement, audience research and services development**

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Laderman, Elizabeth, and Wayne Passmore. "Do Savings Associations Have a Special Commitment to Housing?" *Journal of Financial Services Research* 17,no. 1 (2000), 41-64.

[Google Scholar](#)

Maloney, D. K., and J. B. Thomson. "Gramm-Leach-Bliley's Federal Home Loan Bank Provisions." *Economic Commentary* Federal Reserve Bank of Cleveland, 2002 (forthcoming).

McDonough, J. E. "The Federal Home Loan Bank System." *American Economic Review* 24,no.4 (1934), 668-685.

## Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 93 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to [springer.com](#) and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

**Store and/or access information on a device**

**Personalised advertising and content, advertising and content measurement, audience research and services development**

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Student Loan Marketing Association. A Guide to the Student Loan Marketing Association Reorganization Act of 1996 (October), Washington, DC.

Smith, Rixey, and Norman Beasley. *Carter Glass: A Biography* New York, NY: Longmans, Green and Co., 1939.

Stojanovic, D., M. D. Vaughan, and T. J. Yeager. "Is Federal Home Loan Bank Funding a Risky Business for the FDIC?" *The Regional Economist* (October), Federal Reserve Bank of St. Louis (2000), 4-9.

## Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 93 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

**Store and/or access information on a device**

**Personalised advertising and content, advertising and content measurement, audience research and services development**

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

February 2003

DOI

<https://doi.org/10.1023/A:1022191726414>

[Small-business loans](#)

[community banks](#)

[government sponsored enterprises.](#)

## Search

Search by keyword or author

## Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 93 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to [springer.com](#) and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

### Store and/or access information on a device

**Personalised advertising and content, advertising and content measurement, audience research and services development**

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

## Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 93 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to [springer.com](#) and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

**Store and/or access information on a device**

**Personalised advertising and content, advertising and content measurement, audience research and services development**

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)