

To read this content please select one of the options below:

Add to cart

32.00€ (excl. tax)
30 days to view and download

Access through your institution

Access and purchase options

Does flexibility hinder financial regulation? The case of CRA enforcement in the USA

[Drew Dahl](#)

[Journal of Financial Regulation and Compliance](#)

ISSN: 1358-1988
(Article publication date: 27 July 2010)
Standard
Serial
Number.)

DOWNLOADS

400

Abstract

Purpose

The purpose of this paper is to determine whether lending qualifying for credit under the Community Reinvestment Act (CRA) is associated with how broadly banks define the assessment areas (AAs) within which they operate. Both are identified as components of performance for purposes of compliance with the CRA.

Design/methodology/approach

Regression analysis using a sample of 212 banks, observed in 2006.

Findings

Qualifying lending and AA lending are found to be unrelated. This is inconsistent with an ability of banks to gerrymander their AAs in order to tradeoff one regulatory standard against another.

Practical implications

Subjectivity inherent in AA delineation does not necessarily mitigate the achievement of regulatory objectives on qualifying lending. This is relevant to the ongoing debate concerning the role of flexibility in financial regulation.

Originality/value

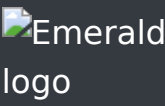
This is believed to be the first empirical study on bank-specific factors associated with AA lending under the CRA.



Citation
Dahl, D. (2010), "Does flexibility hinder financial regulation? The case of CRA enforcement in the USA", [Journal of Financial Regulation and Compliance](#), Vol. 18 No. 3, pp. 193-200. <https://doi.org/10.1108/13581981011060781>

 [Download as .RIS](#)

Publisher: Emerald Group Publishing Limited
Copyright © 2010, Emerald Group Publishing Limited



Services

- [Authors](#)
- [Editors](#)
- [Librarians](#)
- [Researchers](#)
- [Reviewers](#)

About

- [About Emerald](#)
- [Working for Emerald](#)
- [Contact us](#)
- [Publication sitemap](#)

Policies and
information

- [Privacy notice](#)
- [Site policies](#)
- [Modern Slavery Act](#)
- [Chair of Trustees governance statement](#)
- [Accessibility](#)