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Sommario/riassunto	A comprehensive account of the rise and fall of the mortgage-securitization industry, which explains the complex roots of the 2008 financial crisis. More than a decade after the 2008 financial crisis plunged the world economy into recession, we still lack an adequate explanation for why it happened. Existing accounts identify a number of culprits—financial instruments, traders, regulators, capital flows—yet fail to grasp how the various puzzle pieces came together. The key, Neil Fligstein argues, is the convergence of major US banks on an identical business model: extracting money from the securitization of mortgages. But how, and why, did this convergence come about? The

Banks Did It carefully takes the reader through the development of a banking industry dependent on mortgage securitization. Fligstein documents how banks, with help from the government, created the market for mortgage securities. The largest banks—Countrywide Financial, Bear Stearns, Citibank, and Washington Mutual—soon came to participate in every aspect of this market. Each firm originated mortgages, issued mortgage-backed securities, sold those securities, and, in many cases, acted as their own best customers by purchasing the same securities. Entirely reliant on the throughput of mortgages, these firms were unable to alter course even when it became clear that the market had turned on them in the mid-2000s. With the structural features of the banking industry in view, the rest of the story falls into place. Fligstein explains how the crisis was produced, where it spread, why regulators missed the warning signs, and how banks' dependence on mortgage securitization resulted in predatory lending and securities fraud. An illuminating account of the transformation of the American financial system, The Banks Did It offers important lessons for anyone with a stake in avoiding the next crisis.