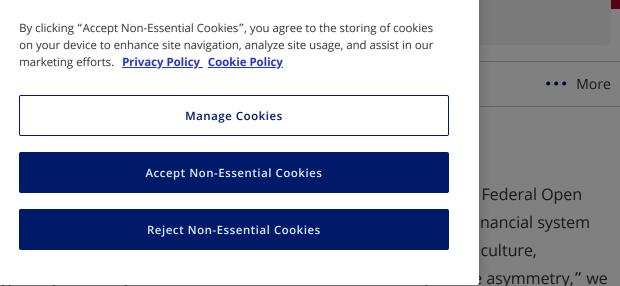
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Abstract

One of the puzzles a Market Committee and its broader con cognition, and fram



show how the FOMC generally interpreted discomforting facts in a positive light, marginalizing and normalizing anomalous information. We argue that all frames limit what can be understood, but the content of frames matters for how facts are identified and explained. We provide evidence that the Federal Reserve's primary frame for making sense of the economy was macroeconomic theory. The content of macroeconomics made it difficult for the FOMC to connect events into a narrative reflecting the links between foreclosures in the housing market, the financial instruments used to package the mortgages into securities, and the threats to the larger economy. We conclude with implications for the sociological literatures on framing and cognition and for decision-making in future crises.



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Biographies

Neil Fligstein is the Class of 1939 Chancellor's Professor in the Department of Sociology at the University of California. He has made research contributions to the fields of economic sociology, organizational theory, political sociology, and social stratification. He is the author of seven books, including *The Transformation of Corporate Control* (Harvard University Press 1993), *The Architecture of Markets* (Princeton University Press 2001), *Euroclash* (Oxford University Press 2008), and *A Theory of Fields* (with Doug McAdam, Oxford University Press 2012). He is currently working on a book about the financial crisis.

Jonah Stuart Brundage is a PhD candidate in the Department of Sociology at the University of California-Berkeley. His research interests include historical and comparative sociology, political sociology, and economic sociology. He is currently writing a dissertation on French and British diplomacy and their relation to the emergence of modern states and geopolitics.

Michael Schultz is a Postdoctoral Research Associate at SONIC at Northwestern University. His research interests include social psychology, social networks, and nonparametric statistics. His current research looks at individual consumption and lifestyle behaviors within economic and cultural fields.

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