Social Contexts and Responses to Risk Network (SCARR)

Public Understanding of Regimes of Risk Regulation:

A report on focus group discussions with citizens and consumers

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1 Executive Summary

Overview (section 2)

This report investigates the nature of public understanding of risk and regulation. Issues of risk and regulation are both significant for the public and recognised as such by them. It shows that the public has strong and diverse views on the regulation of the risks they face in their daily lives, and is often critical of the ways in which risks are managed. This raises key issues for regulators and other stakeholders concerned with risk management, public awareness and consumer rights and responsibilities.

As part of the ESRC-funded research project, *Public Understanding of Regimes of Risk Regulation*, part of the SCARR network, the authors conducted sixteen focus groups with a cross-section of the UK public. The discussions ranged across risk and regulation issues broadly, though two sectors - communications and financial services – were explored in detail.

Public understanding of regulation (section 3)

- The question of **what is regulation and who regulates** is salient to the public, and it is the focus of much contestation, frustration and concern.

- People readily provide **examples of rules and regulations** – predominantly those governing everyday life (health and safety in the workplace, employment law and in education settings), those which protect rights (disability rights and human rights) and those designed to control public behaviour (driving and parking, ASBOs, smoking and surveillance cameras).

- They are aware of a **range of public institutions** responsible for these regulations (e.g. planning departments, data protection, immigration and asylum legislation, environmental controls and refuse collection); these are typically introduced in a critical or sceptical way.

- Through discussions ranged freely over such matters as political correctness, Local Authorities, Europe and bureaucracy, a common theme emerged: **the legitimacy of regulation** inheres in the institutions of representative government at the local, national and European level. Criticism of the representative nature and practices of government, therefore, leads to a questioning of the legitimacy of regulation.

- For the public, the question of **personal responsibility** is crucial, positioned as the hinge between risk and regulation. The focus groups contained lively discussions of the fraught relation between personal responsibility, individual choice and public responsibility for managing both public and private risks. Illustrative discussions centred on parenting.

Concerns about regulatory practice (section 4)

- There is a strong public perception that there is **too much regulation**, and that **regulation is too complex.** The expectation that ordinary people must negotiate regulation in an increasingly complex world is a dominant concern. This raises questions of **literacy or competence** – whether financial, technical or other skills.

- There is strong interest in **regulatory effectiveness**, raising questions of **enforcement** and pointing to a perception of **regulation hitting the wrong targets.** Rules targeted at 'model' consumers are seen to misfire, failing 'actual' consumers in practice.

- A common criticism is that many **rules are "*silly", "petty", "twisted*" or "*nutty*"**. Although there is cynicism towards the press, such views are often backed up by citing tabloid newspaper stories of what regulators do.

- Although the current regulatory regime stresses the public's status as a stakeholder and stresses firms' responsibility to be public-facing, the public themselves appear relatively unaware of this shift. They report **little participation or engagement** in regulation – with few cases of responding to public consultations, for instance, and with their perception of possible routes to engagement largely limited to making complaints.

- Particular concerns are expressed regarding those considered to be **vulnerable in the face of complex decisions**, especially young people, the elderly and those in poverty.

- Concerns are widespread regarding **regulatory independence** and **trust in regulators**. People sustain a strong distinction between "us" (ordinary consumers) and "them" (firms and their regulators). It is commonly considered that the lawless minority benefits more from regulation than the lawful majority, and that regulation serves the interests of firms (and government) more than consumers and citizens.

- When it comes to discussing **what people want**, there is little apparent interest in prospects for public engagement with regulation. Mainly, there is a clear consensus that people want **regulators to prioritise consumer protection** and to provide improved public information and advice.

Social and cultural dimensions of regulation (section 5)

- In spite of widespread scepticism and concern about regulatory practice, there is an equally strong consensus that rules, laws and regulations are necessary for **social cohesion**.

- Discussions of **what kind of society we live in** were lively, raising important dilemmas regarding **surveillance, rights, freedom and responsibility, the loss of common sense** and **audit culture.**

- These discussions draw both on **personal experiences of risk and regulation** and on **popular media reporting**. This is most apparent in discussions of immigration and asylum seeking, concerns about iniquitous effects of the human rights agenda, objections to European regulation, and nostalgia for traditional modes of community, government and regulation.

- Regarding questions of **corporate responsibility and trust,** there are widespread concerns about regulatory capture. Considerable disquiet was expressed regarding the difference between norms grounded in tradition and commonsense and those originating from the decisions of administrators and policy makers, these latter generating questions of legitimacy and trust.

Communications and financial services regulation (section 6)

- In **discussions about risk and regulation in financial services**, it became clear that financial risks generated the most concern of all. People only seemed aware of the regulator (mainly the FSA) in a crisis context. Generally, they felt individually exposed to worrying levels of risk.

- By contrast, **communications regulation** was discussed more in relation to public policy issues (e.g. privacy, libel and the press, children and advertising). Views were expressed both that the industry is over-regulated and that content regulation 'lacks teeth'.

- People were far **more concerned about financial than communications regulation**, with financial issues seen as typical of 'the problem with regulation' and strongly linked to concerns over personal risk and the difficulties of risk management.

- It appears that **people become aware of regulators in three ways:** they work in a regulated industry and so have learned of or applied regulation; they have experienced a problem as a consumer on which they may have acted or received advice from the regulator; they have become aware, usually through the media, of public policy issues related to regulation.

Conclusions (section 7)

- Public understandings of risk and regulation are complex. **People express strong principles regarding the importance of risk and regulation** in society and in their own lives, often grounded in personal experience.

- Though **people understand that regulation balances self-regulation by firms and personal responsibility from the individual**, welcoming the individual choice this brings, some are critical of the new regime and many are concerned that the individual burden of responsibility for risk is too great, especially but not only for the 'vulnerable'.

- **There is widespread public support for regulation but also considerable criticism of regulatory practice**. People consider that there is too much regulation in some areas while others are neglected, that regulators are insufficiently accountable and that regulation is too little grounded in common sense. The result is a disconnect between how the public feel they are represented or communicated with and regulators' claim to have become more open and 'public-facing'.

- **People are comfortable being positioned as a consumer**, though they were critical of how consumer needs are met, and they appear to have little expectation that, as citizens, they might participate in public consultation or engagement processes. Rather, contemporary problems of trust, participation, self-efficacy and institutional legitimacy appear to apply as much to regulation as to other domains of public life. The language in which regulation is commonly discussed produces a powerful sense of "us" and "them".

- Though **there is a fair amount of dissent across people of different backgrounds**, making for lively debate, there is also **a shared agenda of dilemmas and concerns** about risk, doubts about regulation, and familiarity with the arguments on all sides. People's different positions and experiences in life give them different vantage points in discussing risk and regulation. Personal experiences often ground general understandings of regulation and regulators, and bad experiences tend to colour perceptions of regulation quite widely.

- There are some **paradoxes in how the public understands regulation and risk**. People endorse a strong ethos of personal responsibility but also want protections and backups in place. They want more choice but recognise that they may struggle to understand complex information regarding the decisions facing. They worry about the vulnerable yet attack regulation for being intrusive. They see themselves as outside the regulatory decisions yet pass up opportunities to become engaged, especially in forms of collective action but in relation to complaints.

- The discussions freely associated anecdotes and examples that flowed from one to the next, borrowing stories from the popular press, and reaffirming a common-sense view in which rules and regulations appear misguided or intrusive. Over and again, the view was expressed that **the real problems of society aren't being tackled while faceless bureaucrats develop elaborate systems of rules** to constrain or intrude on the freedoms of the majority. People thus present themselves as having little or no influence on how regulation is formed or shaped, as fairly passive recipients.

- **People tend to confuse different forms of regulation** - for example, regulation is viewed as quasi-governmental rather than independent; legal and regulatory systems are often described as the same thing; concerns over the political relation between Britain and Europe frames ideas of "unnecessary regulation"; there is much slippage between factual knowledge and anecdote.

- Although the discussions in the focus groups were wide ranging, there are some key **issues central to the regulatory regime on which they are relatively silent.** These include the relation between regulators and the market, their work in ensuring consumer-facing practices within firms, and the possibilities for consumer representation.

- There is, in short, **a task for the regulators in managing public expectations**. This is partly because people are familiar with and tend to prefer traditional regulation based on supervision, enforcement and consumer protection. People are worried about taking on the burden of risk management themselves as a cost of increased consumer choice. Further, wider problems of trust in institutions and disaffection with routes to participation colours perceptions of regulation. Attempts by regulators to work 'with' the public may be understood as attempts to work 'on' the public – via increased personal risk, surveillance, managed choice, etc.

2 Context, Aims and Methods

2.1 Context

How do members of the public understand matters of risk and regulation in their daily lives? What knowledge, interest and concerns do they express? Do they feel empowered to exercise personal choice in relation to complex and risky decisions? Recent years have seen substantial regulatory reform across sectors, with new regulators and new regulatory regimes established. To what extent is the public aware of and concerned with changing relationship between government, regulators, commerce and the public?

Developments in the economic landscape, together with technological advances, globalisation and a range of other societal changes are all shaping contemporary approaches to the management of risk. Dominant in western societies is the broad shift from state regulation to various forms of self- and co-regulation, with new regulatory bodies being established and increased expectations on industry to be more consumer-facing.

Central to these changes is the expectation that the public will take personal responsibility for managing or insuring themselves against risks. To be sure, risk is intrinsic to most facets of everyday life. But while economic changes and technological innovations have provided many positive benefits to modern existence, their effects are double-edged: individuals are faced with considerable ambient risks and must take steps in order to ensure self-protection and self-insurance (e.g. becoming more "financially literate", "techno-savvy" and "media literate").

In recent years, new regulatory bodies have been formed – for example, the Financial Services Authority (FSA) and the Office of Communications (Ofcom). Each is charged with protecting the interests of consumers and citizens while maintaining market confidence and reducing the burden of regulation. Each faces complex challenges in regulating risks and each is developing a "culture of regulation" that replaces classic, supervision-based forms of regulation. Particularly, each seeks to represent the interests of the public, undertake consumer education, engage with stakeholders and influence policy formation.

The public plays two important roles in the new regulatory regime. As sovereign consumers, empowered through choice and consumer literacy, their choices shape markets and thus regulators have the task of enabling the conditions for consumer choice. As citizens they legitimise regulation through their confidence in the market and their trust in firms and in the consumer protection afforded by regulation.

Understanding the public's understanding of regulation is therefore important to evaluating the public accountability and effectiveness of such statutory regulatory bodies as the FSA and Ofcom, as they must maintain market confidence among consumers and educate citizens to make informed choices. Public understanding is also critical to the public legitimacy of regulation - the justification of the present regime relies on ensuring people's understanding of the risks they face in the market and the responsibility they bear to protect themselves.

While the FSA and Ofcom were selected as a point of focus, many of the issues that arise apply across sectors. Thus this report addresses the changing regulatory regime in general. It does not aim to produce recommendations for how the regulatory process should operate. However, it is intended that the findings of the focus groups will be of relevance to policy-makers and the regulators and to be shared with stakeholders.

2.2   Project Overview

The Public Understanding of Regimes of Risk Regulation project asks how the public is represented within the new culture of regulation and how the public understands its role and responsibilities in communications and financial services markets. Specifically:

(i)   How do new styles of regulation conceptualise and seek to meet the needs of the public? In an ever-changing social climate in which risks are invisible yet omnipresent, the FSA and Ofcom are fostering new ways of protecting consumers. Their responsibilities now include giving individuals the knowledge and skills necessary to become informed consumers, together with promoting public education and awareness to encourage individuals to make informed choices. Yet little is known about how the regulators balance stakeholder interests and standpoints against the needs of the public or about the crucial interactions among regulators, key stakeholders and the public.

(ii)   Members of the public face a plethora of decisions and choices, together with an expanding context of information, advice, guidelines, codes of practice and opportunities to engage (ask, complain, feedback, consult, etc). How do they characterise the kinds of risks facing them? How do they understand the broader context, in terms of relations among regulation, government, commerce and the public? While many are charting the successes and difficulties of the regulators, less attention has been paid to the public's understanding of its changing role and responsibilities, with many unanswered questions regarding people's perceptions and concerns regarding risk and their strategies of risk management in their daily lives.

The project has three interlinked components in terms of design and methods:

(i)   Analysis of policy and consultation documents, together with media coverage, to map how the financial service and communications regulators represent the public within strategic documents and how they include them in their planning processes.

(ii)   Stakeholder interviews with some 30 key actors from a variety of vantage points across the financial service and communications sectors (e.g. consumer and industry representatives, media and communications professionals), as well other stakeholders and experts participating in the evolving regulatory frameworks.

(iii)   A series of focus group discussions with members of the public, stratified by population segment, to explore people's perceptions of risk, regulation and, especially, their own decisions and responsibilities within the sectors of financial services and communications.

This report presents key findings from the third method.

2.3   Focus Group Method and Participants

The research team from Brunel University and the London School of Economics and Political Science conducted sixteen focus groups across the UK in May to June 2006. Each lasted around ninety minutes. Sessions were audio-recorded and fully transcribed, with the consent of the respondents, and each was given £30 as an incentive for their participation.

Each session began with a brief introduction to the project and each participant introduced themselves in turn. They were asked, first, to respond to such open questions as, "Can you say what comes to your mind when we say the word 'regulation'"? As discussion proceeded, the moderator probed for understanding, covering the following topics:

- Scoping different views on regulation: we asked people to talk about the different views about regulation they had heard, whether in public discussion or the media, and expressed their own views on these; they debated whether there was too much or too little regulation, whether things were changing compared to twenty years ago.
- Types of regulation: we explored people's understanding of the variety of regulations and the sources of regulation (law, professional bodies, regulators etc). We explored what makes good or bad regulation, asking people to talk through examples. They discussed their direct experience of regulations (e.g. in the workplace).
- Rights and responsibilities of consumers: consumer protection issues, ideas related to individualization and risk, rights and responsibilities, information issues and the role of choice in consumer risk taking, and what they thought would happen in the future.
- Vulnerable groups: we asked whether special protection/regulations were needed for vulnerable groups, issues of social exclusion, what happens to people who put themselves at risk and what should be the appropriate response from regulators.
- Communication/ financial services -specific questions: we asked specific questions about the communications and financial services sectors, what people saw as the risks in these markets and the relation between individual and government responsibility. We also asked if anyone knew about specific concerns or regulator activity in these two markets.

Recruitment for the focus groups was conducted by a professional market research organisation in order to ensure an appropriate demographic mix. The sample frame included people systematically stratified by socioeconomic status and life stage, living in different localities. In all, 116 individuals were interviewed as shown below.

Location	Demographic	Number (male, female)
Eastleigh	AB New Earners	3 m; 4 f
Eastleigh	AB New Families	4 m; 3 f
Leicester	C2D New Families	5 m; 3 f
Leicester	AB Recently Retired	4 m; 4 f
Harlow	C2D New Earners	3 m; 2 f
Harlow	C2D New Families	4 m; 4 f
Barnet	AB Midlifers	4 m; 3 f
Barnet	AB Recently Retired	5 m; 3 f
Lewisham	AB New Earners	5 m; 3 f
Lewisham	C2D New Earners	1 m; 7 f
Chelmsford	AB New Families	4 m; 4 f
Chelmsford	C2D Midlifers	4 m; 4 f
Swindon	C2D Midlifers	2 m; 4 f
Swindon	C2D Recently Retired	2 m; 4 f
Brighton	AB Midlifers	5 m; 3 f
Brighton	C2D Recently Retired	3 m; 3 f

The socioeconomic status and life-stage categories are defined as follows: AB = professionals; C2D = manual workers; New Earners = just out of school/college; New Families = have young children; Midlifers = children have left home; Recently Retired.

3 What is Regulation?

The regimes of regulation in financial services and communications in the UK represent an important shift in the relationship between government, civil society, commerce and the public. In policy and academic circles there has been an ongoing discussion and debate about what constitutes best practice in regulation appropriate to complex global markets so as to balance the conditions for effective competition with consumer protection.

The public are directly affected by these changes in their role as consumers and they also have an interest in the new regulatory climate as citizens. In the focus groups we were interested in how these changes in regulatory practice and the implications for governmental, corporate and individual responsibility were reflected in public discourse.

We began the focus groups by asking each member of the group to say what 'rules and regulations' meant to them. In these opening discussions, people did not offer formal definitions of rules and regulations. Instead they used a two part description, pairing particular examples of regulation with the source or origin of the regulation. These descriptions were not value-neutral but were offered as illustrations of a variety of issues and concerns.

3.1   Examples of Rules and Regulations

Health and safety regulations at work were often given as examples of rules and regulations. This man from the Leicester AB recently-retired group said:

> *'Health and safety was a bugbear for me at work because they suddenly came in like a latter day Spanish Inquisition. They'd been given a certain level of power and, like football referees, they were not allowed to use common sense.'*

This quotation illustrates several issues that emerged as consensual: there has been an increase in regulations aimed at compliant behaviour in a variety of areas of everyday life; these regulations come from a faceless, often nameless regulatory agency which acts in an unaccountable and intrusive way. The complaint about a lack of common sense was frequently said of regulatory practice.

Examples suggested for rules and regulations governing everyday practices

- Health and safety at work
- Employment law
- Rules implemented in schools to guard teachers against accusations of improper conduct towards pupils

Examples of regulations aimed at protection of rights

- Disability rights
- Human rights

Rules and regulations designed to control behaviour in public

- Driving and parking rules (for example, speeding cameras and parking fines)
- ASBOs
- Smoking in pubs
- Surveillance cameras

Examples of the powers of public institutions

- Planning departments
- Data protection
- Immigration and asylum legislation
- Environmental controls
- Rules for refuse collection

These examples were invariably introduced in a critical, negative and sceptical way. Few examples were offered of what people regarded as positive rules, regulations and laws. Possibly, participants assumed the focus groups were an opportunity to express concerns and grievances.

Nonetheless, this points to an agenda of concerns about regulation: that it is excessive, complex and inappropriately targeted; that it represents an extension of government, that it raises issues of trust and legitimacy, and of changes in the balance between personal and societal responsibility.

We note that the areas of financial service and communications regulation were rarely spontaneously mentioned in the initial discussions of examples and sources of rules and regulations – it appears that, although people consider these important (as discussed below), they are not as salient as the examples noted above.

3.2   Sources of Regulation

3.2.1   Local Authorities

Some regulations were mentioned in relation to particular agencies that were seen as pushing the regulatory agenda. Local authorities were often identified as the source of rules and regulations aimed at compliance.

This is illustrated by a man in the C2D New Families group:

> '*The worst regulations I've seen brought in which really get my goat, being a football fan, is the ban of the St George flag flying. That is some Council's bureaucratic put it into place. You can't fly the flag on your car, and you can't put it out the window. The Council's trying to fine people for that.'*

This example captures the style with which people often began the discussion of rules and regulations: as complaints against unnecessary, even bizarre regulations aimed at limiting personal freedoms. This particular example had been widely discussed at the time in the media, and several of the focus groups reflected what has evidently become a stock item in newspaper and broadcast media coverage.

3.2.2   Europe

The European Union was identified as a particularly salient source of rules and regulations. For example, in a conversation between two men in an AB Recently Retired group:

> '*As this lady said, we've now got Brussels, haven't we, to contend with? And we have to have straight bananas and not curly bananas. I mean can you tell me why they've sat there for three months working out whether we should have straight bananas or curly bananas? I mean what difference to anyone?'*

3.3   The Origins of Regulatory Change

3.3.1   Political Correctness

Some regulations were discussed as examples of how regulation is resulting from pressures created by political correctness. A common example was the rules introduced about the conditions of work for teachers that have resulted from increasing complaints against teachers for supposedly treating pupils unfairly or abusing them.

The Brighton C2D Retired group had this discussion:

'Same as staff in schools, they're not allowed to lay a finger on the children.

My brother is a teacher so I know all about it and you're not allowed to correct the children.'

And this from the Barnet AB Retired group:

'What's the principle behind the Human Rights? I mean it is clearly getting on people's nerves, but what's the basis?

It should be a very, very important thing and I don't think anyone, I don't think anyone in this room objects to sensible human rights. Human rights that are correct and everyone should be entitled to, but the twisting of it and the way it's altered and used, that's was aggravating everybody.'

3.3.2   Bureaucracy

The discussion of agencies that produce rules and regulations opened up wider concerns that a bureaucratic logic is leading to the multiplication of rules and regulations, resulting in turn from an increasing professionalised political and administrative class. This discussion from an AB Midlifers group elaborates the frustration with Europe:

'I also think that people in Brussels, or in the government, and local government are all just making up rules and regulations, and a lot of people are just doing it because they are paid to make up rules and regulations.'

This refers to the relations among different levels of government. It appears that people are not aware of and concerned about the 'quasi-governmental' nature of regulation, instead seeing the dispersal of political power to local and European levels as an overall increase in levels of government/administration.

This discussion points to a common theme - that regulatory practice is grounded in the institutions of representative government at the local, national and European level. This opens up concerns about the relations among politics, law and regulation – pointing to a democratic deficit. In an AB recently retired group:

'That fact is that most of the rules and regulations that come out from the EU are made by people we didn't vote for.'

3.3.3   Law and Regulation

One respondent from an AB New Families group proposed that new regulation is added on to old law and that this results in an unhelpful relation between the law and regulation. This provoked a lively discussion:

'It is because they have never been written in conjunction with each other. Some laws are so old, they're from 18 whatever, but they've only been changed very slightly, the wording, but then they're trying to bolt on regulations to stuff. Obviously society has changed and it's not caught up with each other…

I think what you said about bolt-ons, they've bolted on so much that quite a lot of stuff doesn't really make any sense anymore. It would be easy to say wipe everything clean and start the rules again and then you could make a little bit more sense for a couple more years.

They're just going to add them on more and more and more and it's just going to get more and more confusing.

Why should Europe say that you can't do this in Britain, why should we have to adhere to their rules?'

The implication here is that regulation is an elaboration of law - rather than seeing regulators as quasi legal extra governmental agencies. The issue of the independence of regulation from government does not seem to have reached the public agenda.

This woman from an AB retired group:

'Well, I think we've got slightly muddled here because we're talking about health and safety as well. That is lots of rules and regulations, that's not law is it? It's health and safety. That is health and safety, those regulations. But some of the others that come out are very obscure and I can't see the point in them.'

Clearly, the public has a number of concerns about the sources of regulation, particularly in the context of an increasingly dispersed state. Hence both European and local government regulations are questioned.

Further, as we shall see, there is considerable disquiet about regulation originating from the decisions of administrators and policy makers in government, rather than from norms grounded in tradition and commonsense. The result is scepticism over the legitimacy of regulation.

3.4   The Boundary between Public and Private Responsibility

The focus group discussions tend to position personal responsibility as the hinge between risk and regulation. The fraught question of personal responsibility is also strongly implicated in the relationship between personal choice and public responsibility.

For example, one man from the Brighton AB Midlifers group talked about the idea that regulation should concern itself with public risks and that individuals should be responsible for personal choices and associated risks:

'I think there should be a line between rules and regulations in the public world, and different ones in the private world. Obviously, if you're driving you have to stop at a red light, because if you don't you're going to kill somebody. Litter, as the gentleman said, obviously you don't throw a load of litter about, because that upsets the general public, and makes the streets filthy, so it's obvious to me that these rules are quite sensible. But what I do in my own home, or if I choose to go into a pub that's smoking, because I smoke, and have a pint of beer, that should be up to me. It's my private world… and I don't see why your private life should get controlled in that way….Now, there are people who are vegetarians and there's nothing wrong with that, but they can always find a vegetarian restaurant, but if I want to eat steak and chips I can find a restaurant for that, but why not have the choice, the freedom of choice?'

In all, diverse views were expressed about whether people should be held personally responsible for carrying risk or whether this should be more tightly managed before 'choice' is given.

The issue of the boundary between public and private risk and how regulation affects this distinction is illustrated by a discussion of parenting. From the Swindon C2D Midlifers:

'Well that's right. The Government's taken away your human rights and your authority over your own children.

So is 'the nanny state' where the Government does that instead of parents? (Interviewer)

Yes.

[General agreement]

But they're not making a very good job of it.

*I wonder how they could make a better job of it. (*Interviewer)

They want to apply commonsense because you can't slap a child. But there is a difference between beating a child and maybe slapping them on the leg. Where do you draw the line? So the Government...

Perhaps we're all a bit guilty really because my parents weren't really strict but I was less strict with my kids and my mother's parents were very strict with hers. And each generation, we give them a bit more, bit more. So I suppose we're just as guilty for encouraging people to be that way inclined anyway, a much easier life. It sounds corny.'

Thus, it is common to hear the opinion that traditional society, where people knew their proper roles and duties, has given way to a new arrangement where the lines of personal and state responsibility are more difficult to draw. The discussions oscillated between placing blame on the individual and on those who legislate and regulate on our behalf.

Sometimes those legislating on our behalf are blamed for not regulating personal conduct in certain contexts, as in this conversation from the Leicester AB Recently Retired group:

> *'Because it's the way that people live these days. Again, if you look at statistics, look at how many people live together rather than are married and how many children are born out of wedlock as to what there used to be when we got married.*
>
> *Yes, but the government has not encouraged people to get married, did they?*
>
> *That's right.*
>
> *That was the start of it.*
>
> *Well, the government has stepped back from regulating personal behaviour.'*

And a woman from the Leicester C2D New Families group said:

> *'So, we've got bigger regulations from powers that be but not, say family and social regulations.'*

At other times, the public are blamed for being "too soft" and too accepting of those who legislate on their behalf. From the Leicester C2D New Families group:

> *'We're too soft.*
>
> *Yes, we are too soft…Like smacking your kid, for instance. I'm not saying you ought to smack your children but a little tap on the backside or around the ear doesn't hurt them.'*

One New Earners group discussed the responsibilities of parents in relation to advertising:

> *'It's down to parenting as well because some people just put their children in front of the TV and then go and do what they're doing, and then they wonder why their children behave so badly. They don't check up on what their children are watching.*
>
> *We forget that the reason they're there is because there was a demand for it. That's the whole point of the business. If there wasn't a demand for that sort of stuff it wouldn't…*
>
> *There's a demand because of the advertising. Some advertising is really persuasive.'*

3.5   Implications for Risk Management

Risk is central to the design and work of the regulators in both financial services and communications, especially as the increasing complexity of both markets poses new risks to the public.

As economic regulators, the work of the FSA and Ofcom is focused on analysis of market conditions to identify specific risks and broader threats to consumer confidence. As protectors of consumers, they are tasked with developing a consumer policy that identifies risks to consumers, identifies potentially vulnerable groups, analyses the impact of product innovations on the risks faced by consumers, and enhances public understanding of risk through consumer education and financial/media literacy.

There was little discussion of these aspects of new regulatory regimes in the focus groups. However, there was an appreciation of the relationship between risk and regulation. Risk was mentioned in relation to specific cases, particularly in financial services such as pensions and endowment mortgages.

This man from the Swindon C2D retired group on endowment mortgages:

> *'As I understand it, the complaint comes with this miss-selling thing is where people claim – and I don't quite know how they prove it – that they were not told of the risks involved. They say nobody told me there was this sort of risk. But how do you prove that?'*

In the focus group discussions, risk was mainly discussed in relation to specific operational contexts, such as 'risk assessments', which some respondents have experienced in the workplace, as illustrated by this Brighton AB Midlifer:

> *'...my experience of risk, or risk assessment comes in when you're dealing with groups of youngsters, and perhaps taking them on trips, and sports, and that kind of thing. Where there was a need many years ago for some rules and regulations, obviously to make sure that people were qualified in a professional way, the pendulum seems to have swung so much the other way that there are so many rules and regulations, and potential problems in organising a game of football for the students, or taking these students around Greece or whatever, that invariably you start to think, oh my goodness, I'm just not going to get involved, and of course that is a shame.'*

This quotation distinguishes regulation and risk analysis by favouring a (traditional) conception of regulation in terms of rule books while being negative towards the importance of risk analysis in self-regulation.

Many concerns were expressed regarding the individualisation of risk across diverse situations of uncertainty or probability of risk. In spite of the broad support for regulation, there was also an acknowledgement of the risks it can open up, particularly when people (especially the vulnerable) assume, wrongly, that they are protected.

Further, the rights of the individual, although supported, were deemed problematic within the context of what was largely seen as un-nuanced, blanket regulation. In weighing up the benefits and dangers of regulatory frameworks, one Leicester AB Recently Retired respondent spoke for many in suggesting that they are "*saving us from ourselves".*

Most contention surfaced in relation to the degree to which the individual is responsible for carrying the burden of risk. A minority of respondents considered that no-one should consider themselves beyond risk and that we must each shoulder the blame if things go wrong.

This discussion from the Harlow C2D New Earners took a particularly tough stance:

> *'Take pay as you go, if you don't want a contract. You've got a decision, if you want it then have it, if you don't, don't.*
>
> *Yeah, I started my contract and I can't get out of it now.*
>
> *It's a contract, if you sign it, you've got to have it.'*

4 Concerns about Regulatory Practice

The initial examples, sources of regulation and issues raised in the early part of the focus group discussions set the agenda for a more focused discussion of specific issues and concerns about regulatory practice.

A considerable number of issues and concerns about regulatory practice emerged. It seems that many consider that social institutions benefit the lawless minority more than the lawful majority, that regulation serves the interests of firms more than consumers and that regulation results in winners and losers. Combined, these views sustain a strong sense that regulation is iniquitous: as we show below, the less they see it acting in the interests of people like them, the less they can envisage regulation as impartial or genuinely focused on public welfare.

4.1   Too Much Regulation

One view that seemed to carry almost universal assent is that regulation has increased over recent years and that there are now too many laws, rules and regulations. One AB Recently Retired man spoke for many when he complained:

'Too many rules – no one can do anything'

And again, from a young Lewisham C2D New Earner:

'...too many rules in this country'

What came over strongly was that rules and regulations have not simply proliferated in number but have extended in scope to cover more and more areas of everyday life. Further, some thought that there are now areas of life that are highly regulated but others that are neglected. This was prevalent in the Recently Retired and Midlifer groups:

'There's too many regulations in certain things and not enough in others. It seems to go from one extreme to the next, from schooling and crime to how you can discipline your children. I kind of sit on the fence in a way because I feel very strongly about other things, that there's too many regulations and that there's not enough in other departments.'

There was also a prevailing sense that the purposes of regulation were questionable, given their social and cultural effects. For example, regulation is an example of rationalization in that the judgements of bureaucrats replace common sense and precaution leads to the increasing spread and scope of regulation.

As one AB Midlifer man commented:

'So I think the whole thing of striking a balance between what is logical and sensible, instead of what has become an absolute mass of rules and regulations… So the whole pendulum has really swung too much…it's like we are all treated as if we are idiots, and that doesn't mean that some of us are not, but it does imply that we all are.'

4.2   Regulation is too Complex

The perceived proliferation, increased scope and unnecessary application of regulation is held not only to have produced too many rules and regulations but increasing complexity of regulatory systems and of particular regulations.

The view that regulation has become too complicated was another common theme across the groups, and this was linked to a passivisation rather than an empowerment of the individual by this woman from the Chelmsford AB New Families group:

'There is no incentive though, is there, to help yourself? You just don't know because it is too complicated. The tax credit people say one thing and then you ring them up and they say something else. It's just too complicated half the time and I think they rely on that, people thinking oh, I can't be bothered because it's too much hassle.'

The idea that 'lay people' must negotiate regulation in an increasingly complex world was a dominant concern – first, regulation enrols people in a process that deskills them, then it creates a new demand for literacy and technical competence. One C2D Midlifer summed up:

'We don't know everything…even if you're worldly'

From an AB Midlifer group:

'Those warnings are in the small print on page 38 where you don't even read after page one, you get bored.

And the rigmarole you go through to actually try and get any sort of compensation. The form you have to fill in.

Well they hope you are going to get fed up with them when you get to page 25. They think oh she'll get fed up with it.'

A C2D Midlifer added:

Or they can't fill out the forms. They don't make them particularly clear. You've got to have another whole booklet to explain what it's about. All right, you can fill them in, you can get round it, but for some people it's a bit daunting I think and they just rely on that fact.'

There is, it seems, a pervasive sense of 'unnecessary regulation', of not enough of the 'right kind' of regulation. It is broadly agreed that there are too many rules and yet that the root problems are not tackled. Respondents talked about their sense that regulation is going in the 'wrong direction' or has gone 'too far'.

4.3   Regulation is Ineffective

There was considerable interest in questions of regulatory effectiveness, discussed in relation to enforcement and whether it meets its targets.

4.3.1   Compliance and enforcement

Rules targeted at 'model' consumers or citizens are seen to misfire, not working in practice for 'actual' consumers or citizens. A woman from the Brighton AB Midlifer group said:

> '*But it highlights that if you have a rule or regulation that pertains towards making a noise, the complexities of each individual situation means that that rule or regulation becomes, either unenforceable, or not enforceable to everybody's satisfaction. Then that means you've got to make it more complicated to address everybody's individual needs, and then you've got the situation that it's so complicated that we're back where we started.'*

Many respondents questioned how regulation can be meaningfully applied to so diverse a population, criticising a perceived 'one size fits all' approach that neglects important differences across individuals and situations.

The focus groups themselves illustrated this point, for they evidently contained individuals with very different kinds of knowledge of regulation, support for regulation in principle and willingness to comply with regulation in practice.

While views regarding the rationale for regulation were often ambivalent, the considerable scepticism concerning the design and implementation of regulation is more straightforwardly critical of the status quo. A Barnet AB Midlifer man said:

> '*They bring another rule out instead of thinking well we've already got enough rules, why don't we perhaps manage the ones that we actually have a little bit better. And also I don't think you can change people's behaviour necessarily just with rules, you have to convince them that they want to change and not just say here's a rule…*'

This quotation illustrates two concerns about regulation. First, the tendency to develop new rules/regulations/laws rather than working to enforce those that already exist, this resulting in the public's frustration that there is simultaneously too much regulation in some areas and too little regulation in others. Second, the importance of obtaining public 'buy in' to the value of a particular regulation if its implementation is to be effective. Again, regulations issued from 'on high', rather than grounded in people's daily lives, are seen to be ineffective and unwelcome.

4.3.2   Regulation Hits the Wrong Targets

Inequities in implementation and compliance/enforcement were a major source of concern. While the 'law-breakers' and those on the edge of society were seen to benefit from regulation, the law-abiding majority were not. A discussion from the Chelmsford AB Midlifers:

> '*Criminals in general seem to have more human rights than anyone else.*
>
> *Yes, you kind of get the feeling that you can live your life by the book, doing what you are supposed to do when you're supposed to do it, pay what you're supposed to pay, but at the end of the day other people just take the Mickey and claim for this, claim for that, do this, do that.'*

This example expresses ordinary people's frustration that, as they see it, regulation both restricts the actions of honest people whilst opening up opportunities for cheats and criminals.

Several groups used the example of asylum and immigration to illustrate the 'real' issues not yet dealt with adequately, not least because of 'political correctness gone mad'. This woman from the Leicester C2D New Families group:

'When you go to any hospital and you need an appointment, an operation or anything. At the back of the queue wherever you go, they're just full of asylum-seekers.'

There was a common criticism throughout the groups that a lot of rules are "*silly", "petty",* "*twisted*" or "*nutty*". Such views were often backed up with popular mythologies around what regulators do (usually citing tabloid newspaper reports).

Despite some critical awareness of the media's role in fuelling these views, nonetheless certain tropes from the mass media were reproduced throughout the interviews, including tabloid concerns with immigration, asylum seekers, Europe, political correctness and human rights. This from the Swindon C2D Recently Retired group:

'That's one of the things about regulations. Our benefit system is so generous to these people that you can't blame them.

That is one of the things that you hear a lot of from old people is the immigrants coming in. And somebody sits down in front of them in one of these Social Services places and explains their rights. They're entitled to this, this and this and they walk away with it. You take an English old lady and send her down there and they've got to fill in that and do this and claim that. And she's got to put all her life on the line.'

This Eastleigh AB New Earner said:

'Well I think some of it goes back to the political correctness of it. I think they've gone too far with regulating away from stuff that actually needs to regulated. I thought that you develop terms and conditions of things better with rules with guidance and things like that.'

4.4   Regulation Lacks Legitimacy

One feature of contemporary regulatory regimes is the shift from supervision to self-regulation (in which firms adopt standards of consumer communication and protection as conditions of being regulated) and co-regulation (in which industry representative bodies such as trades' associations act as mediators of regulation between the regulator and firms).

This raises two linked issues – is self-regulation tough enough on firms so as to benefit consumers when interests conflict, and regulatory capture – is the independent regulator sufficiently independent from industry? We were interested to see if such issues are reflected in the public understanding of regulation.

4.4.1   Regulation in whose interest?

Although we found little evidence that the changing nature of regulation - from supervision to self-regulation - was registered in public discourse, implicitly, there were many concerns expressed. Questions were raised in all groups as to whether businesses are profiting while customers lose out.

The regulation of credit cards illustrates this well. A discussion from the Barnet AB Midlifers:

'The credit companies – everyone can get a credit card.

They're just give them out willy-nilly don't they?

It's a real business.

It doesn't really matter what you earn now does it? People get them…'

This from the Leicester AB Recently Retired group:

'*I think it's the banks' fault.*

They stuff money at people.

Yes, they do. Every day I get something through the post, have another credit card, do this, get a loan.

And you're not vulnerable.

No. We don't need the money.'

Some therefore argued that companies should bear more responsibility, as seen in this exchange about mortgage policies in the Barnet AB Midlifers group:

'No it doesn't matter who sold you the policy. If the policy is sold and the policy is sold via a company, it's that company's responsibility. I don't care who sold it.

I think the companies are responsible to inform. I agree with that. They should inform you so you can get out early if you wanted, and that should be in the contract. And, if not, then I think you go into something called like unfair contract terms because they're big boys and we're little so therefore we haven't got the same available information and expertise that they would have. So as long as they inform us then fair enough, they can say we informed you. But to not tell you things – that's where I think regulation can come in. That you must – because you're the big boy and you have that information which you as a person doesn't have – it's an unfair contract unless you do one, two, three, this contract then becomes unfair because you've got the knowledge and you're not passing that on.

Should people be allowed to make bad decisions if they want to? Should you be allowed to make a bad decision; should there be a nanny state; should they you be protected from yourselves? If you get bad advice on your house, fair enough, you were told the wrong thing, you weren't informed it was going wrong.'

4.4.2   Workplace experiences can undermine public trust

Some of the participants worked in the big high street stores and had witnessed first hand methods of selling which are not in the customers' best interests. Unsurprisingly, they were sceptical of the corporate responsibility agenda.

Consider this discussion from the Lewisham C2D New Earners group. A young woman reported how financial information was deliberately withheld from customers opening store cards:

> *'Also it's not in our best interest to explain it to the customer. In my shop they give us something like £2 for every store card that we open. But if I told the customer, by the way the interest is 23%, they're less likely to open it and there's less money for me.'*

Another woman New Earner from this group talked about the large store in which she works:

> *'It gets the most complaints like the shop is overheated and everything. The managers just come out, swear at the customers, tell them to get out, and then head office gets the complaint. The complaint gets thrown in the bin and shredded.*
>
> *It's kind of a good thing for you that that customer can't complain about you and you don't have to do anything.'*

It appears that these personal experiences influence the way in which people regard regulation – and industry and regulators - more broadly.

Such everyday experiences even seemed to legitimate sidestepping rules in other areas. For example, one New Earner admitted to using a hose-pipe to wash his car even though he knew it was banned; and as we saw above, another confessed that customer complaints in the shop where he worked go straight in the bin. Cynicism breeds cynicism it seems, perhaps especially among those new to the world of work.

4.4.3   "Us" and "them"

The sense that regulation is not sufficiently on the side of the consumer is sustained by the strong discursive distinction expressed between "us" (ordinary consumers) and "them" (financial and communication sectors and their regulators).

Those who shape regulation are regarded as a small privileged minority who act on behalf of but not in consultation with the majority. The regulators are characterised as "faceless". From the Chelmsford AB Midlifers:

> *'There's no consistency. Every time a new government comes in they have great ideas so they decide to set up all these new things and nothing ever catches up. If there's more consistency then you find out a lot of these grey areas, or you might have an opportunity to.'*

As one Leicester AB Recently Retired respondent asked, "Who are they?" The Brighton AB Midlifer group also foregrounded concerns with "democratic accountability":

> *'Yeah, but I also think that it's a whole industry when people are paid to make these rules, and it won't go away, because people are always going to want to get jobs, and that's an easy job just make up loads of ridiculous rules.*
>
> *Who are these people sitting in the office who's actually asked them to do all this? I mean it must cost a fortune, all these rules and things, and what sort of democratic accountability do they have? Is this what the people have asked for; is this what the people want?'*

A woman from a Chelmsford AB New Families group saw regulation as a move by firms to protect themselves from a potentially litigious public:

> *'I think it's also to do with society now, because the rules and regulations that come in and are being brought in as a protection for the companies… because basically people sue at the drop of a hat these days.'*

Concerns about integrity and accountability were evident across the groups. Regulation was sometimes referred to as a "*mask*" (Lewisham C2D New Earner) or, as one Leicester AB Recently Retired man described it, a "*smokescreen*":

> '*I think there's a major problem because there's a whole tranche of rules which are not enforced... One of my favourite sayings is that the law only bears down on the law-abiding because those who are not law-abiding ignore the rules, change their address, fail to pay fines, claim poverty and so on and nothing is done. There is no proper system. Although there are rules and regulations, they are a smokescreen for doing nothing, just there for cosmetic purposes to delude the public into thinking that things are being done...'*

4.5   Lack of Public Engagement – Why Complain?

As we have seen, public discussion of regulation is informed by salient examples of regulation and regulatory agencies grounded in the experiences of participants and experienced mainly in relation to mechanisms of social control or issues related to consumer protection.

There was little evidence of public understanding and engagement with regulators in their policy and consumer education roles. Discussions emphasised the gap between regulators and the public when considering broader issues of involvement in public life.

4.5.1   Distance between the Public and Regulatory Agencies

Although one Swindon C2D Recently Retired respondent spoke about the need for "people power", the suggestion of citizen protest was not generally talked about with any enthusiasm.

These women from the Chelmsford C2D Midlifer group:

> *'I don't think it's a case of you don't care, I think you do care but who do you complain to?*
>
> *They don't want to know if you go to your politician or wherever.*
>
> *They seem to be leaving people to manage themselves.'*

The problem with participation is mainly attributed to the perceived unresponsiveness of the authorities, expressed most strongly by the C2D groups. From Lewisham C2D New Earners:

> *'They don't give you much information on who to go to. When I think about complaining and writing a letter to someone in the government there's no specific person that I know to complain to.*
>
> *There is sometimes. When you go to a doctor's surgery they often have a leaflet there saying, if you're not happy with any aspect of your healthcare or something you can complain to, and they give you an address. A number of you work in sales in shops where people must complain. You must have a few stories.* (Interviewer)
>
> *Our complaints just get thrown in the bin. When they come into our shop they just get thrown straightaway. Even head office throws them away as well. They get shredded and everything.'*

4.5.2   Consultation

While civil society bodies interviewed in the stakeholder phase of this research described the regulators as 'consulting us to death', the public seemed little aware of the opportunity to respond to consultations, even though they are a key stakeholder in public-facing regulation.

One man from the Brighton AB Midlifer groups commented:

> *'The thing also is the lack of consultation, so that with most of these rules people are not consulted in the first place, to see if it's going to be workable or not. There are things like mobile phone masts…where there should be a lot more consensus …'*

4.5.3   Scepticism

From an AB New Families group:

> *'But do we believe that if more people got involved in helping to formulate those rules, if they were invited to, they'd be better rules, there'd be more commonsense there?* (Interviewer)
>
> *Would there? No.*
>
> *Perhaps that's the reason that people don't do it because they weren't listened to in the past. So people said why bother.'*

4.5.4   Apathy

One woman from an AB New Families group said:

> *'There's a bit of apathy as well because you sit there and you think there's no point in doing it. No, I can't be bothered, it's going to happen whether I do something or not because there are not enough people to get together, there's not enough community spirit anymore for people to actually get together.'*

When asked who they would go to if they had a problem with how something was conducted or regulated, there was considerable vagueness in the answers. This from the Brighton C2D Recently Retired group:

'How do you say that as individuals, how do we say what we want, and who do we go to? (Interviewer)

I think there more or less have to be a lot of you; it would have to be a combined thing to get anywhere, it would have to be a big thing to get anywhere at all.

So things like protests? (Interviewer)

Well something like that but not nasty, or petitions, yeah.

Do you get involved with things like that where you think that there's something that needs changing? (Interviewer)

I think the law needs changing to start with.

Do you get involved with lobbying people to make those kinds of changes? (Interviewer)

I don't know how you would go about it quite honestly; I feel there should be changes.'

The pervasive feeling of disaffection regarding consultation and complaints and the sense that the public has little chance of influencing regulation was echoed over and again. This perceived low political efficacy was strongest in the New Families and New Earners groups – i.e. among the young. This reflects a wider disaffection with political participation. Here's a discussion from the Chelmsford AB New Families group:

'I think this is why nobody bothers really voting because stuff is going to happen anyway so what's the point of voting? Nobody comes around and knocks on your door and tries to explain what they're even going to do.

Most of the time they're not going to change the law.

They just give you promises, don't they? They say what you want to hear and then as soon as they're in power it's right, I'm in power now so I will change my mind and I'm going to bring that law in and I'm going to want your taxes because I now need to pay for that campaign that I've just spent X million Pounds on.'

From the Swindon C2D Recently Retired group:

'Well we had all our elected Members of Parliament when Tony Blair was telling us that the Iraq War was essential. It turned out it wasn't essential. They were our elected representatives and they got bought off. I don't think anybody is convinced now that that war was needed.

We didn't get a say about whether we went to war.

They could have had a referendum really.

There were massive protests but it didn't achieve anything.

No.'

4.5.5   Being British

It was both suggested that Britain has more regulation than other countries, and that British people do not complain, being less likely to seek redress. One Lewisham C2D New Earner described the British as "*robots*". A Swindon C2D Recently Retired respondent commented:

'When we're angry we'll get an answer…The French would go on strike and all the farmers would be out and all the tractors running around Paris. But we don't. We are a little moany race.'

A Barnet AB Midlifer agreed:

'There is a lot of protests about everything, not just McDonalds. That's what I like about France, when they are not happy about something, you just protest. That's it [laughter]. It's too lenient in this country I think they take too much.'

4.6   Regulation as Consumer Protection

The above discussion shows how the perception of excessive and complex regulation, combined with regulation hitting the wrong targets, positions regulation as a classic piece of bureaucratic strategy aimed at making sure that nothing changes. As a result, consumer protection was often seen as illusory. One Swindon C2D Midlifer suggested:

'*You haven't really got protection.'*

Although there were questions about public engagement with regulation there was a clear consensus that people need to have information and advice. Problems with small print and public literacy were discussed in several groups. From a C2D Midlifer group:

'...give us somebody that knows the rules and regulations and that can help us when we as a consumer ring up with a complaint or an enquiry. And it doesn't happen.'

On different occasions, The Ombudsman, MPs and the Citizen Advice Bureau were mentioned. This was a discussion in the Swindon C2D Midlifers group:

'What about those organisations that try to speak for the consumer like the consumers' organisations or some of the organisations that try and help people in debt? Do they have any role? Do they have any power? (Interviewer)

I think people like Citizens Advice do.

Yes, I would say so.

[General agreement]

But you have to watch out for debt because some of those companies are charging you for that service as well. But Citizens Advice seems to be able to negotiate.

I think sometimes you need that behind you because you reach a brick wall…'

And this from the Eastleigh AB New Families group:

> *'You can go to the Financial Ombudsman and that's what my parents did. They ended up with full compensation which put them back where they should have been if they'd been sold the correct product.'*

Regarding endowment mortgages, some of the respondents, including this Swindon C2D Recently Retired woman, spoke about private companies that claim to help:

> *'But there's an agency now that you can go to for help with that. They were advertising on the television if you've been shortfalled.'*

In terms of media complaints, a respondent from the same group said:

> '*There is a complaints thing that you can complain to but I wouldn't say it controls what they [the media] can say generally.'*

4.7   Vulnerable Consumers

In the discussion of risk management, the respondents raised a set of concerns about the ability of all sectors of society to manage risk and regulation with equal capability. Young people and the elderly were identified as particularly vulnerable groups in the face of complex choices and regulatory processes.

Many were sympathetic regarding the difficulties of accurately anticipating the risks ahead, with pensions cited as one example which exposed people to risks in the C2D Recently Retired group. It was broadly agreed that the young are not encouraged to see or understand risks, particularly in the AB New Earners group.

One AB New earner suggested that:

> *'Young people are less likely to know their rights.'*

And others from the AB New Earner described the vulnerability, particularly of young people, when it comes to dealing with financial risk:

> *'If you put sweets on the table and leave a little baby what's going to happen? Not that 18 year olds are babies, but we are babies and we're just trying to learn the ropes. We come home one day and we see a letter addressed to us. We open it up and there's free money. Yeah, I'll send it off. Give me some money.*
>
> *Because you don't need to deal with the consequences yet.'*

And this from the Chelmsford AB New Families:

> *'To get credit these days is so simple, isn't it?*
>
> *They don't realise what they're letting themselves in for, do they? It is so easy to get credit cards, these youngsters just fill a form in and send it off and they get it and they don't think about payment.*
>
> *That's what I'm saying, they send them another £3,000 and say if you don't want to use it, let us know. They're not going to let them know.*
>
> *Younger people don't worry about credit as much as older people. My boys are both going to leave university with ten or twelve grand debt straight away and that would really frighten me.'*

While some argued that young people are more vulnerable to risk, some instead suggested that this reflects a distorted perception, as illustrated in this conversation between two men in the Eastleigh AB New Earners group:

> *'Kids today are probably no more exposed to risks that you were. It's because of the power of the media that we don't see things as they are. We're fearful and we want to regulate, we want to control. And so much regulation is just that immediate reaction to the fear that we have.*
>
> *Our parents trusted the media to inform them and I think that maybe our generation is a bit more suspicious that they're maybe trying to control us.'*

A common concern about the elderly is articulated by a Chelmsford C2D Midlifer woman:

> *'It's not just youngsters. My mother – bless her – 89 years old, was given a credit card, living on a basic pension. Bless her she dies with a couple of thousand pounds on her credit card. [laughter] She didn't have any estate left but there are older people who do and they don't understand the workings of it.'*

The Lewisham C2D New Earners illustrated a concern about how social class might play a role in financial risk:

> *'It depends where your parents are from as well.*
>
> *Yeah. If you're in a poor area and they say, here's some money, you're going to think what? I think I'll get a car. I'll take my girlfriend out to a restaurant, and live the life.'*

Although there was broad consensus across a range of social groups, the issue of how the individual should mange risk resulted in differences. This was most obvious in discussions of debt.

Older groups (Midlifers and Recently Retired) expressed concern that more choice and flexibility can also mean being exposed to more risk, particularly for the younger generation. A Leicester AB Recently Retired respondent spoke of the price of increased affluence and suggested that the difference *"back then"* was that there was a more cautious approach to getting into debt, because "*we knew our limits".*

A young Lewisham C2D New Earners confirms the generational change:

'But we're forgetting that we live in a society now where in order to get what you want you need to borrow. For a house obviously you can't pay cash for a house. It's impossible. You can't even pay cash for certain cars. You're urged to use credit cards. Cash is no longer the main thing that people use. It's swipe, swipe, swipe.'

5 Social and Cultural Dimensions of Regulation

The initial discussions with participants were focused on particular examples of regulation and concrete issues related to regulation. Complementing these discourses were a number of descriptions of the social dimensions of regulation.

5.1   Regulation for Social Cohesion

Although we have shown widespread scepticism and concern about regulatory practice, this was accompanied by what appears to be a contradiction - the equally widespread consensus that rules, laws and regulations are necessary to provide social cohesion. A woman in the Lewisham AB New Earner group said:

'*I think that rules and regulations are a positive thing because it keeps everyone together. It helps us follow what we're going to do and stops people from straying. I think it's a good thing for society to keep everyone together.'*

A woman from the Brighton AB Midlifer group suggested that:

'…if you're able to live outside the law, you can do it very well at everybody else's expense...Although we have loads, and loads, and loads of rules and regulations, there's still not enough to involve everybody.'

The emphasis is on rules and regulations as a kind of social glue through ethical guidelines. By implication, it was felt that without rules and regulations, there would be chaos. One recently retired man from the Leicester AB group stated:

'I'm a bit ambivalent about rules and regulations. There's 60-odd million people living in crowded islands and there would be total chaos if we didn't have some form of rules and regulations.'

Here the complexity of the demands on rules and regulations is clear – they should both respond to the need to support and provide the basis of social order through coordination and at the same time they should be legitimate.

However, over and again, positive accounts of rules and regulations – of which there were many – are linked in public discussion to legislation by elected representatives. The positive social functions of rules, regulations and law are distinguished from the parallel, negative discussion of the spread, application, unevenness, unrepresentativeness and ineffectiveness of much regulation in practice.

The contrast is expressed in the following oppositions:

Law	Regulation
Elected	Non-elected
National	Sub or Super national
Publicly debated	Drafted by bureaucrats
Applies to all citizens	Targeted at particular groups
Backed by enforcement	Unenforceable
Proportionate	Proliferating and over controlling
Legitimate	Imposed
In the Public Interest	Restricting freedom and choice

5.2   Social Attitudes Shape Public Understanding

Public understanding of regulation was linked to broader concerns about the kind of society we live in – for example, to changes in the rights agenda, surveillance, freedom, audit culture and social control. Discussions of regulation were vividly illustrated with images of "the nanny state" or "red tape" to criticise changing societal attitudes towards personal responsibility and personal freedom. Ordinary common sense is seen as being problematically superseded by social institutions that regulate the conduct of members of the public.

5.2.1   Surveillance

Increased use of security and traffic cameras was a salient example of technologies deployed to regulate people's behaviour. Although the justification for these surveillance technologies is public security and safety, albeit at the costs of a potential loss of privacy and freedom, people are clearly sceptical. One AB Midlifer man's comments are indicative:

'Well I'm saying in conjunction with everything else that seems to be trying to make it a nanny state and taking away all our freedoms to do what we like when we like and how we like. We are monitored constantly. There are cameras everywhere, not only on the roads. We are controlled with all sorts of rules and regulations, some of which lack commonsense and they're just getting worse.'

5.2.2   Loss of Common Sense

The sense that public rules and regulations are replacing personal, *"common-sense ways of behaving"* is an important theme in the focus group discussions. It was widely argued that regulation overpowers "common-sense" or tells us what the public already (should) know and that it is partly responsible for people being unable to assume personal responsibility.
.
This Chelmsford C2D Midlifer woman said:

'Going back, the rules of life were learnt from the moment you were born from your parents…. These are common sense ways of behaving in life really, and because they are bringing in so many rules and regulations, adults are sort of losing that responsibility to be responsible for themselves and to have a certain standard of behaviour. It's almost as though it's sort of being offloaded and new parents are not being responsible parents because they are offloading that responsibility.'

5.2.3   Audit Culture

Terms such as "red tape", "bureaucracy" and "nanny state" were frequently used, suggesting a general neo-liberal attack on any kind of regulation. This Barnet AB retired man:

> *'Well, everything is targets today. Every organisation, police, fire service, everything that you can think of, hospitals, schools, everyone has targets.'*

One Brighton AB Midlifers man said:

> *'I think we all agree there are far too many rules and regulations made around this rather nanny state.'*

5.2.4   Rights, Freedom and Responsibility

An interesting line of discussion links the proliferation of regulation to human rights. According to these two respondents from an AB New Families group:

> *'They should be catered for but not to the detriment of everyone else. So, try and help them but don't drop everyone else, so meet somewhere in the middle.*
>
> *Yes, I agree, because when you talk about rights everybody has a right. There isn't anybody who doesn't have a right to something and therefore if you give legislation to somebody to actually do more, you are therefore reducing something for somebody else.'*

As discussion in this C2D Midlifers group suggests, there is a sense that individuals must take responsibility now that benevolent institutions no longer exist to look after their interests.

> *'Nobody's going to knock at your door and say there you are, there's your pension. It doesn't work like that. You've got to go and get it. There's nothing in place so that it drops in your letterbox or any family place, whatever.*
>
> *So you've got to go and ask?* (Interviewer)
>
> *They do not willingly help you get what you're entitled to.*
>
> *No, they won't.*
>
> *[General agreement]*
>
> *It's not in the culture; the culture isn't there. You've got to go and ask for it.*
>
> *But you shouldn't have to.*
>
> *You're entitled to what you're entitled to.*
>
> *I only keep on and on and on and it will gradually filter through; hang on a minute, let's change things. We've got an MP; I've never written to the MP.'*

This reflects the importance of distinguishing a system based on entitlement from a structure of care. Compared to the past, it is suggested, today's regulated society does not reach out and care for individuals but it does react to claims and offer redress.

A conversation in an AB Recently Retired group addressed the relation between rights and regulation, industry and individual responsibility:

'No matter how many rules you bring in, they'll still disobey them, won't they, if they've not got that basic discipline.

That's because alongside rules and regulations, rights have been emphasised and responsibilities are a dirty word for politicians. It's far easier to tell people you'll increase their rights. Nobody wants to be told by a politician that I intend to increase your responsibilities. So, you're down, again, to poor political leadership which has led us over a variety of governments into a situation where public behaviour has got steadily worse amongst a section of the population.'

This call for "citizen rights" from a Lewisham AB New Earner:

'At the end of the day it's us lot, our age group that's going to make the country in ten or 15 years and that goes without saying. It's going to be our kids who are going to come on and do the next things. People need to start understanding that and that's the problem. There are so many older adults who look on you as if, well what can you know really and truly? Even teachers and stuff like that. But really without *me would you be here? Without me you would have no job. It's that same kind of situation. If I wasn't here the government wouldn't be here so they need to start having respect for their citizens'.*

This C2D Recently Retired man said:

'... it's pointless; you have a society that is absolutely full of regulations and you've got prisons absolutely full up to the brim of people, so what is the point of it. Let's have a bit more freedom, let's have a bit more responsibility for your own life instead of depending on somebody else to dictate and to legislate; just have a bit of responsibility for yourself. [over-talking] Freedom is responsibility; freedom is not doing as you want to do which is a misconception. If you say that you're an anarchist and that you don't believe in that they automatically assume that chaos will reign.'

These quotations suggest that people are concerned about a variety of cultural issues arising from the dispersal of powers from government to regulatory agencies. Relations with government and by extension with the law are relations of citizenship built on a combination of rights and responsibilities. This relationship is changed by the increase of quasi-governmental agencies insofar as responsibility is replaced by discipline, agencies acting in the interests of the public are replaced by claims made for protection or advice and the public is repositioned from citizen to consumer.

While people believe that the social order requires authority, regulation and law making, they are sceptical about the loss of traditional rules and regulations and their replacement by new quasi-governmental bodies. The former are grounded in, and legitimated by, the everyday lifeworld of ordinary people living in communities. The latter are seen to come from outside and, while imposing responsibilities on individuals, seem simultaneously to reduce their rights.

5.3   Media Representations and Public Scepticism

A case can be made that these discussions, while often backed by personal experience, also reflect popular press agendas. The media were often cited as a primary means of finding out what is going on, with relatively little disagreement or challenge within the groups.

This has been evident in much of the above discussion, especially in the discursive links made between regulation and immigration/asylum-seeking, concerns about the iniquitous effects of a new emphasis on human rights, objections to "Europe" and nostalgia for traditional modes of community, government and regulation. At the same time, there is a fair degree of scepticism regarding the tabloid media especially. For example, the Chelmsford AB New Families Group said:

'Some of the government perception is what the media thinks of them rather than the public.

Can you say a bit more about what you mean? (Interviewer)

Well, basically the knee-jerk reaction against anything is because The Daily Mail or whoever happens to get hold of it one day turns around and says this is stupid, don't agree with this, and they have a huge great campaigns and suddenly somebody is sacked.

So you are basically talking about policies being made on the basis of public opinion type thing?'

A Brighton C2D Recently Retired respondent said:

'*It's a question about what you read and where you get your information from. If you want to pick up the Daily Mail every day and get yourself terrified to death it's up to you. It's enough to give you a heart attack and The Independent has now gone the other way on green issues; that frightens you to death, talking about how the world's on self-destruct. The Mail's on self-destruct, we're being invaded by aliens that will knife us all in the back; The Independent's gone the other way and we're all going to pollute ourselves to death.'*

And this Recently Retired C2D respondent was critical of tabloid scare-mongering stories:

'I think our biggest worry is the tabloid press, which causes so much trouble, so much misinformation. We're being flooded with immigrants; we're not being flooded with immigrants. We've always had a lot of immigrants, there are no English people, and they don't actually exist.'

And this from the Chelmsford C2D Midlifers group about the media's "political control":

'I think the media hype it up a lot, don't they? They glorify stuff; catchy headlines that make you want to look.

Or the advertising on the telly.

They seem to project in their news stories that it's the opinion of the majority and then we talk to each other and none of us agree. They seem to be taking more political control inasmuch as they seem to be able to initiate what happens to political leaders and politicians a great deal. Also their attacks on celebrities, if they decide they don't like a particular celebrity, that's it.'

6 Communications and Financial Service Regulation

Towards the end of the focus groups we invited participants to address our particular interests in financial services and communications regulation, including their awareness of the FSA and Ofcom.

Across the groups, there was very low awareness of the Financial Services Authority (FSA) and Office of Communications (Ofcom) as regulatory bodies. Aside from a handful of respondents who could name the FSA, the regulators were only mentioned or recognised when prompted by the interviewer.

6.1   The FSA and Financial Services Regulation

6.1.1   Awareness of the FSA

Even when invited to explicitly talk about financial services regulation there was uncertainty about who the regulator is or the nature of their role. From an AB Retired group:

> *'I don't know which body is looking into it, but they're looking into the amount of money the banks charge.*
>
> *Does anyone know who that is?* (Interviewer)
>
> *FSA?*
>
> *I don't know, there's so many different.*
>
> *FSA, Financial Services Authority* (Interviewer)
>
> *Is it? I'm not sure if it is the FSA.'*

The exceptions were from those who are employees in the financial service industry or have had contact with the FSA in relation to financial problems.

As one man from an AB New Families group explained:

> *'Bearing in mind I work for a re-insurance broker, which is governed by the FSA, everything we do. As far as I'm concerned it's about saying what you can and what you can't do. It's also there to protect and support, report what you do.'*

Knowledge does not always mean uncritical support for the regulator as one female ex-employee of a financial services company from an AB New Families group) demonstrates:

> *'You were saying about the FSA. Well, one night when I was at work, the night before I left, it was all being brought in, the FSA, so if I'm going to go back, I'm going to be completely confused because all the rules that I was working to are going to have changed. From what I could make out, a lot of it was unnecessary chaos, changing for change's sake. I work at a broker's and you've worked like this for how ever long and they come in and say no, you can't do that now, you've got to do it like this. It's just unnecessary chaos I think, sometimes. There are too many people saying you must not do this or you mustn't do that.'*

Here is an example of a consumer who has come into contact with the FSA in relation to a crisis. From one of the C2D Midlifers groups:

'Well, hopefully once the endowment providers have given the FSA ombudsman all the information, hopefully judgement will be made to our benefit. But you're in the hands of these people reading every single case that's put in front of them and there are probably millions. The trouble is it's tick boxes and they go through all these cases and if you get all the ticks in the boxes you're lucky. The regulations were brought in in the late '80s and if you bought your endowment six months before the new regulations you probably don't get the tick in the box, so that's it. '

6.1.2   Crises in Financial Services

It seems that individuals only become aware of the regulator (mainly the FSA) in a crisis context. From this they draw the conclusion that they are individually exposed to risk. During the endowment mortgage crisis, for instance, people were aware that, although the FSA provided information to consumers, it still required individual consumers to write letters and make complaints before any redress was achieved.

Here, an example from an AB Midlifer group discussing how crises (such as that concerning endowment mortgages) should be handled.

'Yeah well to an extent the FSA does some of that role in any case to an extent.

What powers do they have? If they see something's wrong? (Interviewer)

They can certainly fine them and close them down, take away their licences.

Close the companies down that mis-sold endowment mortgages.

They don't tend to be very quick at closing them down … big business is very powerful and money talks. If you do close a company down ... but if they're a big company they can be ongoing until the whole pack of cards starts to crumble.

Sure, there'd be an authority with more clout than the FSA.

Yeah, possibly.'

Raising awareness of the regulator's activities may also raise awareness of its limitations. The idea of the regulators lacking teeth was one of the things said about regulators.

6.1.3   Regulating the Culture of Consumption

In this extract from one of the C2D Midlifer groups, a discussion of debt ends with a view that the FSA is not concerned with the potential problems that arise for consumers from the rise in personal debt and increasing debt amongst the young.

'It's funny how years ago there weren't those rules but there were commonsense mortgages. And you had to save a few years. I know they obviously want to be a bit more flexible but, having said that, it was more responsible of them.

It was harder to get into debt.

But wasn't that money safe?

You couldn't go out of your means.

We'll make sure you can't borrow too much. And now they say it's up to you. (Interviewer)

When I took our first one out we had to join a queue. Oh, this month's money's run out; come back next month. And only a set amount.

You had to go and see the bank manager.

No, they'll go up to 35 years. You got a pension? Yeah, you can have it into your pension.

And now we're in misery because of the debt. Kids are being brought up with families that are at loggerheads because they're in so much debt.

But to give you a credit card when you haven't even got a job and you're 18! She looks 16.

I feel that the Financial Services Authority is not dealing with that sort of thing.'

Notwithstanding the question of whether concern about the welfare effects of a consumer economy grounded in debt is part of the FSA's remit, it is clear that the participants in the focus groups expect the regulator to be involved.

An AB Midlifers group also expected the media to protect the public from financial risk:

'But where do you do it? For example if you look at the Sunday papers and the financial pages you will find a lot of these products, high risk products. Should the paper, when they accept the advertisement, put something underneath saying look at this very carefully, yeah a health warning.

Saving us from ourselves.'

Given the efforts of the FSA to regulate the information presented to consumers at the point of sale and the disclosure policy in financial service advertising, it is interesting that consumers would like the risks of products to be labelled by a regulatory authority.

6.1.4   Self Regulation

Self regulation was discussed by a C2D Midlifer group when talking about endowment shortfalls and whether businesses should regulate themselves:

'So you think the businesses should regulate themselves? (Interviewer)

'Well, I think they should be made to regulate themselves. There should be somebody making them do it, not just that they think well, they can just come away from it. You know, well sorry, it didn't perform.

Financial Services something is supposed to regulate but they've got no teeth, have they?

We have gone through the FSA to the ombudsman to hopefully get redress over these endowment shortfalls. It's when a product is first designed they don't sell it properly.'

Despite acceptance that regulation is needed, there was little confidence that regulators do make much of a difference. Significantly, many of those who felt this have direct experience.

The ways in which people talk about regulation points up two problems for the regulator. First, since the regulator distils its guidance into a succinct message, this is quickly perceived as 'more rules' or 'just red tape' or 'small print'. Second, though the regulator prominently names itself on all its communications as a form of legitimation, the public perceives this as an indication of intrusive regulation.

6.2   Ofcom and Communications Regulation

6.2.1   Public policy debates

Awareness of Ofcom took a different form, being more focused on the public policy issues surrounding media and communications regulation.

This quotation, from a young AB group, illustrates that awareness of the regulator (in this case Ofcom) is related to widely publicised issues of public concern:

> *'Driving in tonight they were talking about provocative clothes for young children. I drove along thinking, well, that's not really cool but it's not really an issue where we're destroying the planet and we're at war. You're talking about clothes for kids; I don't really care, it's not an issue.*
>
> *To you it's not.*
>
> *That's true. There was a big feature about paedophiles as well on Radio 1 and I thought it's probably a controversial point but that is such a minor fringe for the wellbeing of children. There's so much more out there that can cause them harm. There's the environment, the things they eat, [unclear] [traffic noises]. And people panic about that and completely miss the big picture. So when you do consult the people who are not in a position to see the bigger picture and are not able to see the issue on a more sophisticated level, then you tend to get skew opinions as when Ofcom sought people's feedback. The only people who wrote in…'*

The following quotation comes from the Barnet AB Midlifer group, during a discussion about how media legal departments clear their stories:

> *'They're taking the risk on whether they'll be sued for libel, so if they're a small guy like us and someone prints a story about us, the newspaper says this guy's a paedophile you're stuck, you can't do anything. But if you're a big person and you come after me mate and I'll get my lawyers and it's going to cost you, and then they will think well hang on we'd better get a few more sources and a bit more evidence.'*

This is how these people from the Harlow C2D New Families group responded to this question from the interviewer about regulating advertising:

> *'What about children and advertising? And food advertising? And toys advertising? Should there be more regulation in that area? Or less?* (Interviewer)
>
> *I don't think that matters. I think you can only regulate it to a certain point. It's going to be around; as much as you want to protect your kids, you can't protect them from everything...*

Well the companies have to advertise their products. I've got no qualms about that whatsoever.

I don't think they've put too much more on, or I think it's how the person sitting in front of the telly sees it as well, and what their rules are, what their parents are allowing them to do, rather than just what they're seeing.'

This from older respondents in the Leicester AB Recently Retired group:

'Even the little tiny ones, they want the designer shoes.

Of course they do.

But where's that from? Advertising?

Television again.

This is the price of our increased affluence since the Second World War.'

As one Brighton AB Midlifer put it:

'There's a lot of debate about foods at the moment, for instance, but whether that's really enough, because I'm not a scientist so I can't really understand half of what's being said, but the more that is said the more people like me, the layman, would actually get the message, and give an opinion.'

This quotation acknowledges the role of regulators in public debates such as food labelling and obesity, suggesting that the public education agenda is effective. Consumer education was enthusiastically supported by some as a means of helping the public to be more engaged with risks faced by the consumer as a matter of public concern and policy.

6.2.2   Comments on Regulatory Practice

In line with the idea that proliferation of regulation is a problem facing British society, some argued that the media and communication sector is over-regulated. From the C2D Recently Retired group:

'I think it's us that have a problem with the media; other countries have media that is not regulated anywhere near as much as us?

In terms of content? (Interviewer)

Yeah, but they certainly don't print the rubbish that ours do; it's just not wanted.'

As in the discussion of the FSA, this suggests a lack of meaningful enforcement despite over-regulation, as perceived by respondents.

This from an AB New Families groups, on the subject of accountability:

'The media aren't governed by anybody to say hang on, this needs to be done fairly and spread out.

Not censorship but they [the media] need to be governed as you are in your work, as in you can't sell mortgages and you can't advise people.'

The Barnet AB retired group doubted their complaints about media content were effective.

'But what about actual regulation? Are there things that you think the government can do or are there people that you think you can complain to if things are wrong? (Interviewer)

There's the press association?

Press Complaints Authority.

But that's self regulation again, isn't it?

Never works.

And they are not going to have a go, I mean they will have a go, they will say naughty boy, but that's it.

They will make out as if they are having a go'

6.3   Comparing Sectors

Most of this report has addressed public responses to the regulation and risk in general. When asked about communications and financial regulation in particular, responses were rather different.

First, there was far more interest in financial than communications regulation, with financial issues described as characteristic of 'the problem with regulation'. Communications regulation was discussed in relation to mobile phone contracts (really, a financial matter), and there was also interest in the public policy issues of content regulation, advertising to children, etc.

Specific concerns with communications and financial regulation are summarised (in no particular order) in the following table:

Communications	Financial
Mobile phones	Pensions (esp. Recently Retired)
Representation	Mortgages (esp. endowment)
Content	Tax
Ownership/monopolies	Banking
Political spread - press	Consumer rights
Advertising, especially for children	Debt/loans
Internet content	Credit cards

Generally, apart from the financial aspects of communications regulation (as in the example of mobile phone contracts), the financial services sector was seen to pose immediate,

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personal risks of high concern. Communication risks, especially as regards content, appeared to be of more abstract or long-term concern, lacking the direct risk of harm to the individual.

A crucial difference, therefore, lies in judgments of the importance of personal responsibility. There was more acceptance that the public should be responsible for its media exposure (i.e. through the kind of media they choose to engage with or the public appetite for 'rubbish'), pointing to a stronger sense of control than is evident when discussing financial services. Here, the potential costs to the individual are considered so great, and the decisions involved so complex, that they do not consider it fair to take full responsibility.

It seems that there are three main ways in which individuals become aware of regulators. Either they work in a regulated industry and have seen or even implemented regulation first hand. Or they have experienced a personal problem as a consumer in the regulated sector and have received information and advice from the regulator. Or they have become aware, usually through the media, of the engagement of a regulator with a public policy issue. The FSA was more often referred to in connection with the first two; Ofcom was more often linked to the third.

7 Conclusions

7.1   Public Understandings of Risk and Regulation

- Public understandings of risk and regulation are complex. **People consider issues of risk and regulation important** in social and political terms, as well as acknowledging their personal significance in their everyday lives. They have strong, principled ideas of how regulation impacts on their lives, and these are grounded in daily experiences, their experiences of regulation at work, social norms and attitudes to society generally, and media representations of risk and regulation.

- There is both **widespread public support for regulation** to address an array of risks and, at the same time, **considerable criticism of recent trends in regulatory practice**. People argued that there is both too much regulation in some areas while others are neglected, that regulators are insufficiently accountable. Particularly, they expressed frustration that regulation is no longer grounded in common sense and social tradition but rather emerges from 'them' - faceless bureaucrats driven by commercial or political agendas. The sense of regulation taking a 'wrong direction' was associated with a sense of uncertainty and powerlessness. There is, then, a disconnect between how the public feel they are represented or communicated with and the regulators' claim to have become more open and 'public-facing'.

- There is an implicit, if not always an explicit, recognition that the current regulatory regime balances self-regulation by firms and personal responsibility from the individual. While **people broadly welcomed the personal freedom and choice** this brings, for some, this recognition was associated with criticism of the new regime by comparison with the traditional one. This latter was regarded particularly by older people as broadly benevolent in relation to consumer protection, and there were **fears expressed that the increasing responsibility placed on the consumer is too great a burden**, particularly for vulnerable groups, and providing insufficient support for complex decisions or too few protections when things go wrong.

- One project aim was to explore people's understanding of the changing relations between the public, government, civil society and regulators. Generally, people appeared to be **comfortable with the positioning of the public as consumer**, though they had many criticisms of how consumer needs and protections were met. There was rather **little recognition of their role as citizens in relation to regulation**, and little expectation of public participation, consultation or engagement with other stakeholders. It seems that some problems identified with regulation and regulators stem from wider issues of democratic engagement. Contemporary problems of trust, participation, self-efficacy and institutional legitimacy apply as much to regulation as to other domains of public life.

- Regarding the regulation of financial services (FSA) and communications (Ofcom), **people perceived a greater sense of risk regarding financial services**, coupled with an expectation – often questioned - that the regulator should focus on consumer protection and enforcement. By contrast, media and communication regulation was seen to raise social and public policy issues, although mobile phone charges raised hackles.

- There is, in short, **a task for the regulators in managing public expectations**. This is partly because people are familiar with and tend to prefer traditional regulation based on supervision, enforcement and consumer protection. People are worried about taking on the burden of risk management themselves as a cost of increased consumer choice. Further, wider problems of trust in institutions and disaffection with routes to participation colours perceptions of regulation. Attempts by regulators to work 'with' the public may be understood as attempts to work 'on' the public – via increased personal risk, surveillance, managed choice, etc.

7.2   Consensus and Dissent

- There is a fair amount of dissent across people of different ages and life stages, gender and socio-demographic groups, making for some lively debates. However, we discerned a considerable degree of familiarity with all points of view. In other words, although people took different positions in relation to different examples, the fundamental dilemmas faced by both individuals and society were widely recognised. **The shared agenda of concerns about risk, and doubts about regulation, was striking.**

- Although we could not identify many systematic differences across the groups, it was clear that **people's different positions in life and their different experiences gave them different vantage points in discussing risk and regulation**. Clearly, people at different life-stages have different priorities: Recently Retired respondents are particularly concerned with pensions, Midlifers with endowment mortgages; New Families with children, schools and homes, and New Earners with mobile phones and retail services. Age also matters – older respondents have a more traditional sense of governance and are keen to express their sense of a general decline in personal responsibility; younger respondents place less emphasis on either the past or future but were concerned about their powers and responsibilities, especially in relation to financial choice.

- **There are several paradoxes in how the public understands regulation and risk**. People endorse a strong ethos of personal responsibility but also want protections and backups in place. They want more choice but recognise that they may struggle to understand complex information regarding the decisions facing. They worry about the vulnerable and, at times, recognise their need for protection from themselves, yet they attack regulation for its intrusion in their lives. They see themselves as outside the regulatory decision-making process yet knowingly pass up opportunities to become engaged, especially in forms of collective action; they are also reluctant to complain when they lose out.

7.3   Common Discursive Tropes

- Certain tropes run throughout the discussions and across the groups, many stemming from a dynamic of attributing blame to others. The discussions freely associated anecdotes and examples that flowed from one to the next, borrowing stories from the popular press, and reaffirming a common-sense view in which rules and regulations appear misguided or intrusive. Over and again, the view was expressed that **the real problems of society (e.g. crime, immigration, corruption) aren't being tackled** while faceless bureaucrats develop elaborate systems of rules to constrain or intrude on the freedoms of the majority.

- Ideas of **power, trust and engagement** in relation to regulation draws on wider political discourses (the war on Iraq, for instance, being frequently cited as an example that government doesn't listen). People thus present themselves as having little or no influence on how regulation is formed or shaped, as fairly passive recipients.

- **People tend to confuse different forms of regulation** - for example, regulation is viewed as quasi-governmental rather than independent; legal and regulatory systems are often described as the same thing; concerns over the political relation between Britain and Europe frames ideas of regulation, with EU policy frequently mentioned in relation to the recurring idea of "unnecessary regulation".

- There is also a frequent **slippage of ideas between factual knowledge and anecdotal stories** – many comments were introduced as "My friend told me...", "I read about…." or "I heard that…". Personal experiences also ground general understandings of regulation and regulators, and bad experiences tend to colour perceptions of regulation quite widely.

- The language in which regulation is described produces a **powerful sense of "us" and "them"**. Regulators are described as "not allowing" ordinary people to do this or that. But when normative understandings were challenged in the groups, people were ready to step back, question and rethink. This was particularly the case with stories inspired by the tabloid media, for these provided both a ready source of examples but also were readily criticised for their unreliability.

7.4   What's Missing From Public Understanding?

- Although the focus group discussions were wide ranging, there were some key **issues central to the emerging regime of regulation on which they were relatively silent**.

- **The Market**: the critical role of the regulators in relation to market analysis appeared not to be visible to the public; there was little or no discussion of the work of the regulators in monitoring market trends, product innovations and emerging risks in the market.

- **Relations between regulators and firms**: public discussion of the relation between regulators and firms mainly drew on traditional notions of regulation through supervision and enforcement. People appear not to understand that to become a regulated firm, the firm must develop a consumer policy, corporate social responsibility, a complaints process and so forth.

- **Specific interventions** were only briefly mentioned (e.g. fines), though mainly by individuals who worked in the industries involved (this was the case even though both FSA and, especially Ofcom, has levied some high profile fines). Yet this is a double edged sword as awareness of fines will enforce the public understanding of regulation in terms of consumer protection and enforcement.

- **Consumer representation**: people did not appear to be aware of the work of FSA and Ofcom Consumer Panels, or the relation between the regulator and the civil society bodies that claim to represent them. Nor do they consider responding to public consultations themselves.