



“Varieties of Regulatory Regimes and their Effect on Public Trust in Market Actors”

Speaker: David Levi-Faur (Hebrew University of Jerusalem)

Chair: Giacomo Sillari (Luiss)

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Abstract

It is widely argued that command-and-control regulation is a burdensome, inefficient, and illiberal form of governance. In recent decades, many efforts have been made to find alternatives that could protect and enhance public interest in a less costly, less legalistic, less punitive, and less paternalistic manner. These alternatives include various instruments under the umbrella of smart and self-regulatory regimes. However, it is still unclear how such alternatives affect citizens' trust in regulated market actors. Using two experimental surveys (n=1195), we examine the extent to which nine different regulatory designs affect citizens' willingness to trust a hypothetical Fintech company. The results show that citizens' trust increases with the existence of a state regulator and decreases with self-regulatory regimes and deregulation. We also find an increase in trust when the state regulator relies on pledges rather than strict oversight, provided that the regulator is perceived as trustworthy. These results suggest that governmental command-and-control regulation may be more beneficial to both the public and firms than is often assumed, as more government regulation may mean more trust in the market.

About the Speaker

David Levi-Faur is Professor at the Department of Political Science and the Federmann School of Public Policy at the Hebrew University of Jerusalem. He is a leading and foundational scholar in the field of regulation and governance who has pioneered theoretical breakthroughs, specifically through his research on diffusion, regulatory governance, and regulatory capitalism. Professor Levi-Faur is also a founding editor of *Regulation & Governance*, a top journal that serves as the leading platform for the study of regulation and governance in the social sciences. He held research and teaching positions at the University of Haifa, the University of Oxford, the

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Australian National University, the University of Manchester, and the Freie Universität Berlin. He held visiting positions at the London School of Economics, the University of Amsterdam, the University of Utrecht and the University of California (Berkeley), as well as SciencesPo and Copenhagen Business School. His work includes editing three special issues of the Annals of the American Academy of Political and Social Sciences (including The Global Diffusion of Regulatory Capitalism, co-edited with Jacint Jordana) and Governance (Varieties of Regulatory Capitalism). He is the editor of the Oxford Handbook of Governance (OUP, 2012) and the Handbook of the Politics of Regulation (Edward Elgar, 2011). He is currently working on a manuscript and an Oxford Handbook on the Regulation of Emerging Technologies.

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