

# Preface

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The reasons for writing this book are twofold. The first is a long held interest in the consumer credit relationship, protection of the credit consumer and the approach to this most important of consumer/commercial relationships. Consumer credit can be enabling for the individual as well as a means of support. It is vital to the economy and a vibrant consumer credit market has a positive macroeconomic effect. Yet if ill managed, whether from a market, creditor or borrower perspective, it can cause (potentially severe) consumer detriment. It therefore provides interesting dilemmas in terms of how it should be controlled and the placing of consumer protection. The second is a long held interest in the development of credit culture and control not only in the United Kingdom but also in the United States. Our cultures in many respects have common roots, and the law is no exception, although since the Declaration of Independence American law has evolved in ways that diverge from the English model, with a written constitution and federal structure.

Writing this book has allowed me to develop my arguments in relation to consumer credit, in a new context. Credit of course attracts discussion at many levels. It is inevitably linked to debt and personal bankruptcy. Important questions of social justice, social welfare and redistribution of wealth are also relevant. However, while these are touched upon throughout the book, the emphasis here is to concentrate on regulatory perspectives in place across the Atlantic that deal with the creation and continuation of the consumer credit relationship. Recent political developments in the US continue to impact on the US law and regulatory structures. While I was researching for this book, the political landscape in the US shifted dramatically. The current direction of deregulation and the sense of change is covered in this book, but at the time of writing, further adjustment and reform is still possible.

The concept of consumer credit is broad and in its widest sense covers all forms of financial accommodation for the consumer. Furthermore, it extends to questions of the collection of debt and consequences of bankruptcy. However, for the purposes of this book, consumer borrowing is the focus, and it will therefore not cover other forms of accommodation that may be covered by consumer credit regulation such as hire (although hire purchase is included). Some studies of consumer credit specifically exclude secured lending on real estate – here, in the general overview of the regulation of consumer credit, mortgage business (borrowing using the home as collateral) is included.

While overindebtedness is discussed in the context of prevention of consumer detriment, and as a driver of policy, control of the consequences of debt in bankruptcy and other forms of debt relief will not be covered. Finally, as the book looks primarily at direct consumer protection, it therefore will not look in detail at prudential requirements or macroeconomic questions.

The law is presented as it stands in April 2019.

Sarah Brown  
Leeds  
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