

How Many Lawsuits are There in the U.S. & What are They For? An Amazing Overview  
by [www.SixWise.com](http://www.SixWise.com)

The U.S. legal system ensures that every American who feels they have been injured or victimized is able to seek justice through the court system -- clearly a noble and necessary protection. However, in recent decades the United States has earned the nickname as the most "litigious society" out there, in part due to major increases in lawsuits involving everything from hot spilled coffee to neighbors' disputes.

In fact, Americans spend more on civil litigation than any other industrialized country, according to a study in the Economic Journal, and twice as much on litigation as on new automobiles.

Why the disparity? Part of the reason, according to the Economic Journal study, has to do with incentives to sue, of which Americans have plenty. While in most European legal systems the loser in a suit must pay a large portion of the winner's legal fees, in America each party pays their own. So, simply speaking, in America there's nothing to lose.



The United States has more lawyers per capita than any other country.

### **More Lawyers Per Capita Than Any Other Country**

As of 2006, there were over 1 million lawyers in the United States, according to the American Bar Association -- more per capita than any other country.

As the number of lawyers has increased, so has the number of civil claims, up 12 percent from 1993 to 2002. In all, over 16 million civil cases were filed in state courts in 2002, according to the State Court Guide to Statistical Reporting, 2003, from the National Center for State Courts. Trial lawyers earned an estimated \$40 billion in lawsuit awards that same year.

### **What Are All These Lawsuits For?**

Demand for legal services is increasing across the board, but particularly in such areas as health care, intellectual property, venture capital, energy, elder, antitrust, and environmental law.

The largest jump in lawsuits has been seen in the health care industry, where doctors have been paying significantly higher liability premiums to defend against potential litigation. While some say the increase in health care lawsuits may provide a safer environment for patients, opponents believe they are keeping patients from receiving the best care. Some interesting facts:

- 79 percent of doctors report that they've ordered more tests than they would based only on professional judgment due to litigation fears, according to a Harris Interactive Poll.
- The American Medical Association lists 21 states as being in a "medical liability crisis."
- 71,000 drug lawsuits have been filed in federal courts since 2001 -- and have outnumbered asbestos, tobacco and auto safety lawsuits since 2002.
- 45 percent of U.S. hospitals reported that the liability crisis has caused a loss of physicians and/or reduced coverage in emergency departments.



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### **How do Americans Feel About the Legal System?**

News about frivolous and controversial lawsuits makes headlines just about everyday. But when a 14-year-old sues her friend for losing her iPod, the music industry sues a 12-year-old for downloading music from the Internet, and lawyers are eyeing fast food companies and snack food makers as targets in potential class-action lawsuits of the future, litigation, it seems, gets taken to a new level.

Frivolous lawsuits alone are said to cost the United States \$200 billion a year, according to Congressman Terry Everett, and all of these potentially unwarranted claims are having an affect on how Americans view the legal system.

According to a survey conducted by Harris Interactive, 76 percent of those surveyed feel that fear of frivolous lawsuits discourages people from performing normal activities. Further:

- Only 16 percent trust the legal system to defend them against frivolous lawsuits.
- 54 percent do not trust the legal system.
- 67 percent strongly agree (and 27 percent somewhat agree) that there is an increasing tendency for people to threaten legal action when something goes wrong.
- 83 percent feel that the legal system makes it too easy to make invalid claims.
- 56 percent think that there are fundamental changes needed to make the civil justice system work better.

Perhaps most telling of all, most Americans surveyed (55 percent) strongly agreed (and another 32 percent somewhat agreed) that the justice system is used by many as a lottery, to start a lawsuit and see just how much they can win.