

The Most Litigious Countries in the World

With a growing number of lawyers every year, lawyer totals are on the upswing in numerous countries. According to the American Bar Association, there are currently 1,116,967 lawyers practicing in the United States, which relates to about one for every 300 people.

Here's a list of countries with the highest number of lawyers per capita:

1. U.S. 1 lawyer for every 300 people
2. Brazil: 1 lawyer for every 326 people
3. New Zealand: 1 lawyer for every 391 people
4. Spain: 1 lawyer for every 395 people
5. UK: 1 lawyer for every 401 people
6. Italy: 1 lawyer for every 488 people
7. Germany: 1 lawyer for every 593 people
8. France: 1 lawyer for every 1,403 people

While it's true that the U.S. has a large number of lawsuits crowding its courts each year, it barely cracks the Top 5 of most litigious countries in the world.

In his book, "Exploring Global Landscapes of Litigation," Christian Wollschlager notes that the litigation rates per 1,000 people shows that European nations top the list of the world's most litigious countries.

Here is a list of the top 5 most litigious countries by capita:

1. Germany: 123.2/1,000
2. Sweden: 111.2/1,000
3. Israel: 96.8/1,000
4. Austria: 95.9/1,000
5. U.S.: 74.5/1,000

The Top 10 also includes the UK (64.4); Denmark (62.5); Hungary (52.4); Portugal (40.7); and France (40.3).

Litigious Business Environments

The Norton Rose Fulbright's 2015 Litigation Trends Annual Survey, conducted by Acritas, revealed that US-based respondents reported a more litigious business environment than their peers, with 55 percent facing more than five lawsuits filed against their companies in the previous 12 months, compared with 23 percent in the UK and 22 percent in Australia.

When given a choice in disputes that are international in nature, 42 percent of UK respondents chose arbitration, compared with 34 percent choosing litigation. Cross-border disputes, particularly those of a regulatory nature, are on the upswing, according to 48 percent of UK respondents, the highest figure of any region.



Meanwhile, just 18 percent of U.S. companies reported no lawsuits, compared with 42 percent in the UK and 36 percent in Australia.

That's why it's so important that companies that conduct business in foreign lands, protect themselves with proper general liability insurance coverage. They are in danger of being sued where they operation in.

Limitations of Domestic General Liability Insurance

A savvy company will understand the legal implications and exposures they face daily in their own country, but they don't often do enough research on the countries they are doing business in. They need to consult with their legal teams about the myriad of unfamiliar laws, languages and customs they might be exposed to in a foreign country and discuss what insurance is necessary.

More and more companies are falling victim to lawsuits brought against them while conducting business overseas as they didn't take the time to understand the potential for costly liability judgments that could occur.

A general policy may not provide worldwide coverage if the lawsuit is not filed in the U.S. Almost all lawsuits are filed in the country where something happens and usually not covered by a domestic policy if the event occurred overseas.

Any company that regularly does business away from its homeland—whether that entails travelling to visit clients, manufacturing goods or providing services overseas or renting a building in a foreign land—will have general liability exposure and must obtain proper insurance.

To safeguard against lawsuits, Clement offers [international general liability insurance](#) provided to indemnify the business for third-party liability claims. Protect your employees with proper foreign general liability coverage and guard against costly legal actions arising from events occurring outside your country's headquarters.