

LexisNexis-IBA Global Study

Section 1: The Legal Profession Around the World

Purpose

LexisNexis and the International Bar Association (IBA) have collaborated to survey legal professionals around the world on critical issues shaping their profession. The 2003 LexisNexis-IBA Legal Survey represents around the largest global effort to date to track legal trends. The inaugural 2003 survey is segmented into four parts. The first section, detailed in this summary, identifies how the rapid globalization of the legal profession is impacting lawyers at the local level, ranks priorities for setting international legal standards, measures the effectiveness of legal systems to handle international terrorism and reveals national trends regarding corporate social responsibility.

The remaining three sections of the 2003 survey focus on the impact to lawyers of the US Sarbanes-Oxley legislation and other corporate-disclosure requirements, how the Internet is changing law, and major trends in law and technology.

Who We Talked To

The survey was developed jointly by LexisNexis and the International Bar Association and administered by Lieberman Research Worldwide during May 2003. The survey respondents totaled 700 lawyers, nearly all IBA members, from the following countries: Argentina, Australia, Canada, Chile, France, Germany, the United Kingdom, and the United States. Respondents participated in a 20-minute telephone interview. Due to sampling limitations, data collection in Argentina and Chile was conducted among both IBA members and non-members. For these two countries, 100 total interviews were conducted, using both an in-person and telephone interviewing methodology. All surveys were conducted locally in each country with native language-speaking interviewers who were familiar with local language dialect and nuances, as well as the business practices and customs of the country. The margin of error for each country analyzed is ± 10 points.

Key Global Findings

Globalization of the Legal Profession: Threat of Opportunity

- The globalization of the legal profession is an emerging trend, but does not benefit all countries equally. The UK, Argentina and Chile are the most optimistic that globalization represents an opportunity and not a threat to local law firms. By contrast, lawyers in Australia, Canada and Germany are wary of the potential negative consequences of globalization such as the growing concentration of international legal work in select countries beyond their borders. Lawyers polled in France the US see a local opportunity as the legal profession globalizes.

Standardizing International Legal Issues

- There exists very strong support to standardize critical areas of law across the globe. Nearly 70% of lawyers agree that the legal profession will benefit from the convergence of law across borders—with the Argentina, Australia, Chile and the US above the average and Canada, France, Germany and the UK below it. Money transmission and laundering was selected unanimously and overwhelmingly as the top priority for international standardization, with 83% of attorneys citing the need for convergence. Terrorism and security were also ranked highly among all countries as priorities for global standardization, with 81% agreeing in France, 79% in Argentina/Chile, 77% in Australia, 69% in Canada, 68% in the UK, 67% in Germany and 64% in the US.

Gauging Adequacy of Anti-Terrorism Laws

- Both UK and German respondents displayed the strongest sense of confidence in the ability of their respective legal systems to handle international terrorism. By contrast, lawyers in Argentina, Australia, Chile and Canada hold doubts about their respective nation's legal ability to handle terrorism. A chief concern in the battle against terrorism cited by all countries is the limited ability to manage the practical enforcement of anti-terrorism legislation. Every nation expressed very strong concerns regarding this issue, with 89% agreeing in Australia, 86% in Germany, 76% in Canada, 74% in Argentina/Chile, 74% in France, 73% in the UK and 50% in the US.

Detailed Survey Results

Globalization of the Legal Profession: Threat or Opportunity

- Do you consider the increased globalization of the legal profession to be a threat, opportunity or both?

	US	UK	Canada	France	Germany	Australia	Argentina/Chile
A threat and an opportunity	34%	19%	46%	27%	34%	45%	22%
An opportunity	56%	71%	41%	50%	56%	36%	75%

- How much do you agree or disagree with each of the following statements?

(Percent answering “4” or “5” on a 5-point scale where a “5” means “strongly agree” and a “1” means “strongly disagree”)

	US	UK	Canada	France	Germany	Australia	Argentina/Chile
The legal profession will benefit from the convergence of law across borders	79%	57%	64%	66%	63%	71%	80%
Globalization of the legal profession will increase the efficiency of trade	67%	56%	60%	55%	57%	59%	67%
International firms provide strong competition which helps local markets and improves local firms	58%	50%	47%	59%	33%	45%	50%
International firms are, by definition, better organized to serve international clients	53%	59%	50%	68%	73%	43%	54%
Local firms' culture and values are threatened by the rise of	48%	46%	44%	40%	53%	28%	24%

international firms							
Compared to local firms, international firms are less able to operate in a local culture	48%	33%	48%	32%	63%	50%	39%
International firms drive up the costs of legal services to businesses	41%	38%	41%	68%	69%	42%	46%
International firms do not share the priorities of local regulators	40%	33%	42%	32%	80%	40%	28%

- **How much of an impact has each of the following international legislations had on your work in the past couple of years?**

(Percent answering “4” or “5” on a 5-point scale where a “5” means “very significant impact” and a “1” means “no impact at all”)

	US	UK	Canada	France	Germany	Australia	Argentina/Chile
The US Sarbanes-Oxley Act	38%	22%	18%	28%	30%	8%	15%
NAFTA or other regional trade agreements	27%	8%	32%	26%	4%	3%	29%
The ICC ADR Rules	23%	16%	10%	12%	20%	10%	20%
WTO trade agreements	17%	8%	11%	4%	8%	7%	17%
The UN Global Compact	5%	2%	0%	0%	2%	0%	6%

Standardizing International Legal Issues

- How important do you think it is for each of the following areas to be standardized at an international level, rather than by individual countries?

(Percent answering “4” or “5” on a 5-point scale where a “5” means “extremely important” and a “1” means “not at all important”)

	US	UK	Canada	France	Germany	Australia	Argentina/Chile
Money transmission and "laundering"	73%	79%	78%	86%	92%	84%	86%
Trade and investment	67%	70%	63%	61%	79%	70%	76%
Terrorism and security	64%	68%	69%	81%	67%	77%	79%
Environmental protection	64%	67%	60%	76%	75%	60%	69%
Mergers and anti-trust	50%	49%	54%	50%	73%	49%	62%
Insolvency	47%	46%	48%	40%	51%	50%	59%
Corporate social responsibility	35%	38%	30%	18%	40%	42%	62%
Immigration	28%	35%	25%	49%	35%	26%	39%

Gauging Adequacy of Anti-Terrorism Laws

- **How equipped do you feel your country's legal system is to handle matters relating to international terrorism?**

(Percent agreeing)

	US	UK	Canada	France	Germany	Australia	Argentina/Chile
Fairly / very well-equipped	74%	81%	60%	73%	81%	47%	24%
Not very well / poorly-equipped	22%	11%	33%	19%	14%	36%	62%

- Which of the following, if any, help explain why you feel that your country's legal system is not very well equipped to handle matters relating to international terrorism?

(Percent agreeing)

	US	UK	Canada	France	Germany	Australia	Argentina/Chile
There is currently a lack of information about international legal requirements regarding anti-terrorism legislation	59%	82%	52%	68%	29%	69%	47%
There is limited ability to manage the practical enforcement of anti-terrorism legislation, such as having a police force	50%	73%	76%	74%	86%	89%	74%
There is currently a lack of expertise to help develop anti-terrorism legislation	50%	18%	67%	58%	36%	75%	71%
There is currently a lack of relevant anti-terrorism legislation	36%	36%	67%	58%	43%	69%	58%
The currently accepted anti-terrorism legislation is not relevant to your country	18%	18%	21%	53%	14%	11%	24%
Don't currently have any issues with terrorism	9%	9%	0%	5%	7%	3%	2%

Corporate Social Responsibility: Progress Achieved, Future Priorities

- **In the next two years, which of the following issues of business social responsibility do you believe will become very important to businesses in your country?**

(Percent agreeing)

	US	UK	Canada	France	Germany	Australia	Argentina/Chile
Environmental responsibility	80%	71%	81%	86%	89%	86%	83%
Human rights	62%	68%	43%	44%	28%	51%	43%
Equal opportunity employment	52%	60%	36%	70%	35%	55%	67%
Community development	52%	28%	35%	83%	66%	35%	68%
Labor standards	47%	53%	31%	64%	77%	60%	87%
None of these issues	11%	8%	12%	3%	1%	6%	2%

Measuring the Impact of Top Global Legal Initiatives

- In the next two years, which one of the following initiatives do you believe will have the greatest impact on promoting business social responsibility around the world?

(Percent agreeing)

	US	UK	Canada	France	Germany	Australia	Argentina/Chile
The United Nations Global Compact	19%	20%	21%	19%	12%	14%	26%
The Global Reporting Initiative	17%	7%	12%	8%	24%	21%	5%
The Global Sullivan Principles	7%	6%	3%	9%	2%	0%	2%
None of these issues	51%	31%	63%	64%	63%	11%	59%
Don't know/No answer	6%	36%	1%	0%	0%	54%	8%

About the International Bar Association

The IBA is the global voice of the legal profession and the world's largest international law organization. It provides education, information, networking and strategy for the world of law and its 16,000-members, influencing the development of international law reform and shaping the future of the legal profession. For more information on the IBA, please visit www.ibanet.org.

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