

# Critical thinking

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Benefits of Mandatory Arbitration Clauses on Consumer Contracts al  
Affiliation) After careful analysis of all the material, I think that companies should be permitted to insert binding arbitration clauses in consumer contracts. In our current times, there are many cases of big companies taking advantage of the general public and other stakeholders through dubious methods, employed by the management of such companies, in order to make profit. Due to the abundance of law suits, by civilians, against big companies such as pharmaceutical companies, there has been a backlog in the judicial system with cases taking years before any verdict can be reached. Arbitration would ensure that consumers are able to have their cases resolved at a quicker rate and without any loss of time. The consumer can therefore be able to perform his/her daily duties with minimal fuss. According to Currier et al., recent studies suggest that, the percentage of consumer arbitration case outcomes, in favor of the consumers, stood at 55% and an additional 93% of respondents interviewed, regarding their general feelings and perceptions of the use of arbitration in consumer contracts, was favorable. They cited that they thought that, the use of arbitration, was more favorable than court cases due to their perceived fairness in dealing with consumer cases (Currier et al., 2009). Additionally, arbitration as a process is significantly cheaper than litigation in court. The high fees required by lawyers is non-existent in arbitration making it a cheaper alternative to court litigation. The insertion of the arbitration clause provides consumers with the ability to protect themselves against harmful or sub-standard goods and services supplied by a company. The arbitration clause provides consumers with the choice to purchase a good or service from one company or another in <https://assignbuster.com/critical-thinking-critical-essay-samples-22/>

accordance with their preferences and tastes. Additionally, the arbitration clause provides a legal avenue that can be exploited by the consumer in case of a dispute. The introduction of binding arbitration clauses in consumer contracts will help both parties protect themselves against disputes and breach of contract.

#### References

Currier, K., & Eimermann, T. (2009). *The study of law: A critical thinking approach* (2nd ed.). Austin: Wolters Kluwer Law & Business.