

Op-Ed Column

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Slowing the wheels of justice: the economic toll on all Georgians

By Lester Tate

What do “jobs” and “justice” have in common? According to an economic study released this week by the State Bar of Georgia, a lot. Increased caseloads in recent years, combined with reduced budgets for the court system have cost Georgians thousands of jobs and our economy hundreds of millions of dollars.

As a trial lawyer who has spent 23 years of my life trying all types of cases in courtrooms across this state, I know the importance of “justice.” But to folks like my father, who lost his job while I was in college when the mill where he worked shut down and who had never set foot in courtroom except as a juror, “justice” probably seemed pretty far removed from daily economic life.

The Bar’s study, however, found the judicial system to be one of the state’s leading economic development foundations. Specifically, the study found that the efficient handling of “cases impacts both the business and social climate of Georgia.” This is particularly true in the past decade when a massive increase in the number of cases filed in our state’s courts was accompanied by an 8 percent overall decline in judicial funding.

When courts become less efficient due to more cases and fewer dollars, Georgia businesses and individuals bear the cost of delays. The slowdowns lead to higher costs, more business uncertainty and reduced productivity. Time and money that should be put to use making goods, providing services and creating jobs instead gets spent waiting for justice.

Using a widely accepted statistical methodology, the Washington Economic Group estimated court slowdowns cost Georgia between 3,457 and 7,098 jobs throughout the state. That’s between \$176 million and \$375 million in annual wages for white-collar and blue-collar workers alike. Considering all factors, the total negative impact is between \$337 million and \$802 million on Georgia’s economy each year.

Such an economic loss has a profound effect on the lives of all citizens, from the single mother needing to collect child support to the corporate board of directors trying to decide whether Georgia or some other state is the best place to do business. Business, community and political leaders cannot afford to ignore the courts as an important component of our economic recovery.

Certainly, elected officials at the state and local levels have struggled recently in trying to balance their budgets, particularly after three years of plummeting revenues. But judicial budget cuts have in fact

unwittingly contributed to the economic decline responsible for these budget deficits. Between 2008 and 2009 revenue from fines and fees in Georgia courts declined by \$52 million due to slower courts, and the new study estimates annual lost income tax revenue due to court delays at between \$51 million and \$115 million annually. In other words, the cuts cost as much or more money than they saved, and that's only the direct result.

The Bar's study shows that there are even deeper, more far ranging consequences. Somewhere a corporation is contemplating locating to Georgia, but it may not want to do business in a state where it can't get a speedy resolution to disputes. Somewhere in Georgia a small businessman may want to hire a new employee, but he can't afford to until a court rules that the money he's owed has to be paid.

This means that judicial funding and the speedy, efficient operation of the courts is no longer a cause for just lawyers and judges. It's also the cause of folks like my father, who started working in the mill at age 15 and lost his job at that same mill at age 54. A functional court system is a rising tide that lifts all boats.

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