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# Consumers, Not Lawyers Would Lose

*By Harvey Rosenfield*

WHY HAVE dozens of high-tech tycoons, Wall Street investment firms and insurance companies spent more than $10.5 million on Propositions 200, 201 and 202? The fat cats behind these initiatives are seeking nothing less than a hostile takeover of the judicial branch.

Proposition 202 is the most insidious of the three. It would cut lawyers' fees by up to 50 percent. But whose lawyers? Not lawyers for Intel. The company and its CEO, Gordon Moore, have pumped $550,000 into the initiatives. Not lawyers for David Packard, CEO emeritus of Hewlett Packard (who has donated $660,000 so far). Proposition 202 doesn't apply to any of these big shots, who can afford to pay their high-priced lawyers by the hour. Proposition 202 only limits lawyers who work on a contingency fee. These attorneys represent consumers who can't afford to pay $300 an hour for legal help. Instead, they represent you for free, then take a percentage of what they collect for you — assuming they win. If they lose, you owe them nothing.

Slashing the amount you can offer a lawyer by up to 50 percent would have the same affect as cutting the pay of doctors, architects and engineers. Lawyers just won't take cases — especially against rich defendants. That's exactly what the corporate moguls want.

Proposition 201 will force consumers who have been swindled out of their savings, pensions or IRAs to post a bond to cover the thief's legal fees before filing a lawsuit against him. Worse, if the investor loses the case — or wins, but gets less from the jury than the defendant had offered to pay — the investor must then forfeit the bond and pay all the defendant's legal expenses. No consumer is going to risk whatever is left of his savings by taking a con man to court.

No doubt, the fat cats behind the propositions consider their campaign contribution a modest investment in evading future law enforcement. It's as if bank robbers put an initiative on the ballot to legalize bank robbery.

Proposition 200 is the Trojan Horse by which the special interests hope to slip the other two initiatives past the voters. Under no-fault auto insurance rates will go up: The average auto liability insurance premium in no-fault states soared 45 percent between 1989 and 1994. By comparison, California's average premium dropped 4.5 percent during that period — thanks to Proposition 103. But don't count on 103 to protect you against no fault's high prices or insurance company abuses; Proposition 200 gives the insurance commissioner and the Legislature the authority to nullify Proposition 103.

Well aware that California voters are suspicious of special-interest backed initiatives, the insurance companies and mega-corporations behind Propositions 200, 201 and 202 have tried to disguise themselves as a citizen-based organization, while slandering Ralph Nader and other consumer advocates who oppose the measures with millions of dollars in false ads and mailings. Leave it to Silicon Valley to create the first "virtual consumer group." As KRON-TV and the Bay Guardian have reported, however, the "Voter Revolt" organization is an empty shell and the use of its name in support of these initiatives is a cynical political fraud that has earned two political consulting firms millions of dollars in fees.

Equally transparent is big business's effort to shift the debate away from the damaging provisions of the propositions. Don't be fooled by the lawyer-bashing: It's not lawyers who will suffer if these measures pass, it's consumers. The court system is the only branch of government in which an average American — as juror or plaintiff — can still take on the wealthy and the powerful, where truth and justice still have a fighting chance. Under their initiatives, the Gordon Moores and the David Packards will have no trouble getting their day in court. But for the rest of us, Propositions 200, 201 and 202 will slam the courthouse door in our face.

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