

## **RESOLVING SMALL CLAIMS ON A LARGE SCALE: A PROCEDURAL PREFERENCES STUDY**

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This study deals with generally ignored, yet important, small claim class disputes. When the cost and the time required to handle such disputes prevents rational individuals from pursuing the rights they are entitled to, unscrupulous enterprises can easily extract benefits from the general public and cause harm to the commercial environment and society. Many jurisdictions hence have devised specific types of class actions or group litigations to remedy this situation. However, some of the dispute resolution mechanisms have rarely been utilized as expected. While improvements in such mechanisms require knowledge of the factors influencing them, there has not been a well-developed theoretical framework by which to account for small claims procedural preferences on a large scale.

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In this study, a framework is proposed for the purpose of evaluating procedural preferences for small claim class disputes in order to provide a theoretical explanation of how people are influenced by the following two iconized criteria: joining rules and standing/representation. The results show the following: (1) an opt-out design is more preferred to an opt-in design when considering both substantive and intangible costs; (2) jurisdictions influenced by Chinese culture or collectivist nature prefer representation by public officials or entities to solve their problems; and (3) aggregated mechanisms (e.g., joinder claims) and representation are both more preferred to pursuing rights individually in small claim class disputes. It is hoped that this study will contribute to the body of knowledge on people's procedural preferences in small claims in class form and will support reforms with better features that conform to the behavioral preferences of those concerned.