

# The legal profession: feast & famine?

Geoffrey Bindman reflects on the stark imbalance between commercial prosperity & frontline poverty



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The Magic Circle and other commercial law firms are paying salaries of up to £100,000 to newly qualified solicitors. Some may react to this news with envy and admiration for the lucky beneficiaries, but it is also prudent to reflect on the wider implications of earnings inflation in some affluent parts of the legal profession. And of course, the newly qualified are at the lower end of a hierarchy in which those at the top are paid vastly more. Allen & Overy has recently announced earnings averaging £1.9m for each equity partner. In 2017, one partner was paid £3.5m. A table of the financial results of the top 25 firms published in the *Law Society Gazette* on 9 August 2021 shows percentage profit increases this year in double figures by all but two of the firms whose profits are declared. The pandemic and Brexit have so far apparently done them no financial harm.

## Inequality abounds

In my first job in 1960 in a West End commercial firm, my salary was £1,000—considered generous at the time. £1,000 then was worth about £23,000 today, according to figures published in the Office for National Statistics composite price index. A newly qualified solicitor in a legal aid practice could expect a roughly similar salary today.

The imbalance between the earnings of commercial lawyers and those who attend to the legal needs of the population at large is stark. It does not, in my experience, reflect any difference in the skill, complexity, dedication, stress or value to society of the work done. The starvation of legal aid and the reduction in legal services for ordinary people, exemplified by the closure and understaffing of courts, contrasts with the prosperity of the commercial sector. It reflects a disturbing and dangerous growth in worldwide inequality which governments, including our own, are doing little to correct. The problem of course extends far beyond legal services. But the polarisation of the legal profession is especially dangerous, because

equality lies at the heart of the rule of law.

The primary responsibility for the legal system lies with the government. Better funding for legal aid and the courts is essential. An excellent blueprint for reform was published in the Bach Report of 2018 (of which the late Lord Justice Brooke was a principal author). It has been ignored by government. Since Bach, the International Bar Association and the World Bank have published their report on the economic benefits of legal aid (see 'A Tool for Justice: The Cost Benefit Analysis of Legal Aid', September 2019). This again has been ignored by government, though it provides evidence that increasing legal aid expenditure actually saves taxpayers' money by reducing the cost of other public services.

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## Serving the public

But this is not just an issue for government. The profession has its own responsibility. In 2015, during his brief tenure as justice secretary and Lord Chancellor, Michael Gove argued for a levy on the best-paid lawyers to supplement the legal aid budget. He met the City firms and they turned him down flat. The problem has become more acute, yet Gove's successors and the profession have done little or nothing to address it.

Of course, the argument for a levy on the affluent is not one-sided. The independence of lawyers is fundamental to their existence. They are understandably resistant to what is perceived as political control. They point out that they already contribute fairly to public

funds through the tax system. And many do good work pro bono. Why should they bear an additional burden? The answer was given in the 17th century by Francis Bacon, who said 'every man is a debtor to his profession'. Lawyers profit not only from their own efforts but from the status and attributes, including earning power, their professional membership gives them. All lawyers share in the duty to serve the public. The profession as a whole accepts common standards. Why should these not include giving financial support to legal services for those who cannot afford them?

The current prosperity of the commercial lawyers is an anomaly. It seems counterintuitive in a time of pandemic and the disruption of close trading links with the EU. A longer-term strategy to protect the rule of law demands a more coherent and collaborative outlook from the legal profession both in the UK and worldwide. It must recognise the key role of the rule of law in securing our survival. It must embrace the defence of human rights and universal justice as well as the pursuit of economic advantage. The need for global coordination is reinforced by the escalation of global challenges, especially climate change.

We are witnessing a destructive trend in the opposite direction from our present government, whose commitment to the rule of law and human rights is at best lukewarm and at worst positively hostile. It is tempting for a government under severe financial pressure to see the legal profession as no more than a cash cow whose value is weighed in the income it brings in from commercial ventures abroad. That would be a betrayal of a proud history. In Britain, more students than ever are obtaining legal qualifications and will be seeking satisfying careers. The opportunity is there if the balance of legal practice is shifted from the pursuit of profit to the pursuit of justice worldwide. Government, opposition and the professional leadership have a common interest in achieving this. When are they going to make a start? **NLJ**

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