

## *Quality of Insolvency Proceedings in Selected Countries – Analysis Focused on Recovery Rates, Costs and Duration*

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**Abstract:** *The study attempts to define the dependence between how efficient insolvency proceedings are in particular countries (especially from the perspective of the yields for creditors from these proceedings) and the general level of development of the surveyed countries. This level of development is measured by the data of gross domestic product per inhabitant. The afore-mentioned data was selected on the basis of a hypothesis according to which the GDP per inhabitant in particular captures the ability of a given economic system to create wealth, whilst one of the fundamental prerequisites for such an ability is the general level of enforceability of a contract and therefore also the enforceability of a receivable. Insolvency proceedings as a formally demanding process based on legal specialties (usually an insolvency act) are a suitable representative of the requirement of enforceability of law. The yield for the creditor, then, is understood to be a crucial parameter of the insolvency system, for it is a natural gauge of the result of the enforcement process. Five groups of countries were formed for the purposes of comparison – the most developed European states, post-communist European states already included into the European Union, post-communist European states outside the EU, the most developed economies outside Europe and finally also oil-producing Arab states, where wealth is not necessarily proportional to the quality of enforceability of law. With the aid of regression analysis of the data, the work has proved that the quality of the legal environment measured by the efficiency of insolvency processes is truly related to the general efficiency of the economy. It is thus possible to assert on this foundation that, if we exclude states with exceptional mineral wealth, a high level of enforceability of law too is truly imperative in order to acquire wealth.*

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