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# **What Bankruptcy Used To Be And What It Is Now**

Talk of bankruptcy is widespread throughout the entire country, even though it has arguably had an impact here in Southern California the most. With all the advice and news excerpts lately surrounding the economic failure of individuals and businesses, few have given consideration to where it comes from and how much worse it could be if everyone lived in a different time. To be able to appreciate and understand why bankruptcy laws were created the way they are today, it is good to understand a little history from bankruptcy's start.

Rome is where the first bankruptcy law began. For a long time bankruptcy was declared by lenders instead of the individual that owed, calling on the government to punish them since they either were not able or refused to pay them back. Abuse from people acquiring loans and not repaying them was not accepted by most and would result in injury or debt, so these laws were a lot more civilized than the alternative. As a result of the cooperation between lenders and the government, people became much less likely to go into a debt they could not repay.

England's bankruptcy laws were chosen as the basis for the laws made with the establishment of the first 13 colonies. At this point the companies would be able to repossess goods with the option of putting the individual in jail based on previous experiences. Based entirely upon the situation, companies would typically let people stay free and reverse the debt by confiscating the item and selling it off. Since bankruptcy laws were driven by each state at the time, the law gradually evolved until Congress passed the Bankruptcy Act of 1898. With the increasing practice of encouraging individuals to go into debt, the law was reformed to represent the consumer more than the company. This change was the largest concept change in the way bankruptcy law was made from there until now.

Bankruptcy cases can have numerous outcomes based on the excellence of the representing attorney. Whether hunting for a [Thousand Oaks bankruptcy attorney](#) or [Encino bankruptcy attorney](#), they are usually the same and represent huge regions. Even though it could be difficult to get around for a while, it is important that a good lawyer is gotten because it can help so much. Cases can often affect people's lives in a big way, so making certain the best lawyer is hired can be the difference between a headache and moving forward. In order to establish good credit and make the impact on one's life smaller, getting on with some good credit practices after the proceedings is a good idea.