

Part I

Serving the Interests of Contracting Parties



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Notaries in civil law countries¹ provide benefits for individuals that want to conclude a contract, form a company or make a will because they lower transaction costs. The first part of this book is about these notarial benefits to the parties of a transaction.

In Chapter 1, we will see that parties spend less on litigation ex post due to notarial intervention ex ante. Chapter 2 focuses on the benefit of having one neutral advisor for both parties instead of lawyers on each side. Chapter 3 explains how notaries tailor default rules to the individual level and thereby maximize joint surplus. In Chapter 4, we conceptualize notaries as interpreters between legal and everyday language, which enable parties to take advantage of abstract, technical concepts without incurring the costs of abstraction. Chapter 5 underlines the managing function of notaries: as trusted neutral players, notaries ensure the safe execution of contracts and streamline the implementation of business objectives by taking over bureaucratic communication with public authorities. Finally, Chapter 6 is about how notaries guarantee that “true preferences” of the contracting parties are the basis of their legal acts. Indeed, the de-biasing and the equalizing function of notaries makes them an essential part of the consumer protection infrastructure in civil law countries.