



liability	
liability insurance	
liability law	
liability litigation	
liability reform	
liability reform act	
liability reform bill	
liability reform legislation	
liability reform law	
liability reform statute	
liability reform act of 2018	
liability reform bill of 2018	
liability reform legislation of 2018	
liability reform law of 2018	
liability reform statute of 2018	

Image from: [Balance sheet. Balance sheet of Y Co as at... in Collins Dictionary of Business](#)

## Summary Article: **liability**

From *The Columbia Encyclopedia*

in law, an obligation of one party to another, usually to compensate financially. It is a fundamental aspect of tort law, although liability may also arise from duties entered into by special agreement, as in a contract or in the carrying out of a fiduciary duty. Liability is not always the result of an intentionally damaging act or of some proven fault like negligence. The affixing of liability may once have been simply a peace-preserving alternative to the practice of an injured party taking vengeance. Further, the law's emphasis has long been that one who is able to pay (who, in modern terms, has “deep pockets”) should pay one who has lost something through an action of the payer, even if that action was blameless.

Vicarious liability is the duty of a principal, e.g., an employer, to pay for losses occasioned by the acts of an agent, e.g., an employee. Strict liability, under which those engaging in certain undertakings (e.g., such “ultrahazardous” practices as the industrial use of high explosives) are held responsible for injury without inquiry into fault, has been increasingly imposed by courts and by statute in the 19th and 20th cent. One response has been the growth of the liability insurance industry, offering such coverage as physicians' malpractice insurance. An area that has been the focus of much litigation, legislation, and debate in recent decades is product liability, under which heavy strict liability costs have been imposed on makers of such varied items as foods, drugs, cosmetics, and automobiles.

### **APA**

Chicago

Harvard

MLA

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liability. (2018). In P. Lagasse, & Columbia University, *The Columbia encyclopedia* (8th ed.). New York, NY: Columbia University Press. Retrieved from <https://search.credoreference.com/content/topic/liability>

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## APA

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## Chicago

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## Harvard

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## MLA

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