LAW AND COMMERCE: 
THE MALAYSIAN 
PERSPECTIVE

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by
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Following the essential elements to constitute an enforceable contract, namely the proposal, acceptance, intention and consideration, the parties to contract is also an integral part of an enforceable contract to create legal relation. Parties could be regarded as the implementer of the contract; the key players to perform the contract. Notwithstanding of the valid proposal, acceptance, consideration and a clear intention, a contract will not be established if there is no one performing the contract. Conversely, it seems that the discussion on parties to contract has not been given duly attention and often being explained at the very end of a discussion on contract. Parties to contract should be placed alongside with those fundamental issues in contract. In fact, from the outset, the essential elements would only be operative and significant when the contract is entered into by a person who is under the law is capable to perform and enforce the contract. In principle, there will be no execution of the contract if there is no one to enter and perform the contract at the first place. Thus, in any contract it is imperative to determine the competent parties to enter into the contract. It would enable us to identify as to who is entitled to enter into the contract and could enforce the contract. Eventually the extent of their rights and liabilities accruing from the enforceable contract which they