English law does not enforce all promises; it will not even enforce all agreements. To trigger legal recognition and thus enforcement, an informal agreement must comprise an exchange in which each party treats his performance (or promise of performance) as the price of the other’s performance (or promise of performance). Consideration is the ‘agreed equivalent and inducing cause of the promise’. If consideration is lacking, English law permits some enforcement, in qualifying circumstances, of promises that induce the promisee’s reliance via the doctrine of promissory est oppels. It also enforces formal promises or agreements. This chapter discusses: (1) the requirements of consideration, promissory estoppel, and formalities; (2) the justification for each test of enforceability; (3) whether the rules and scope of each doctrine are satisfactory, and, if not, how each should each be developed.
3. Enforceability: consideration, promissory estoppel, formalities