

COMPANY LAW. By J.H. FARRAR. [London: Butterworths. 1985. xlvii+636 pp. (including index). Hardcover: £30.00, Softcover: £18.95]

IT is common for a company lawyer to respond to a new work in company law with the question—is this yet another textbook or is there a niche which it fills by way of a new approach or treatment? New editions of standard company law works are obviously in the offing with the 1985 consolidation of the UK Companies Act. It is quite refreshing to read Farrar's work as it treats the subject with the following flavour which makes it a highly readable and recommended work for students and which sets it apart from the standard works in company law.

The history of company law is an area which receives treatment of varying lucidity. The historical evolution of the statutory formulation is critical to an understanding of the section 14 of the Companies Act 1985 on the legal effect of the articles. The historical evolution is used throughout this work to demonstrate the current impact of the statute or company law rules in a manner that heightens student understanding.

The modernity of the treatment is illustrated by inclusion of how company law works in respect of its impact on the structure, size and current issues of contemporary company law. In this respect, one notes the influence of Tom Hadden's *Company Law and Capitalism* in the treatment of company law within its wider economic context. Hadden's book while conceptually stimulating failed to occupy the niche of a standard company law text, because its emphasis was on economic theory and impact of company law with inadequate emphasis on the precise current caselaw and statutory rules of contemporary company law. Such treatment is exemplified in the vocabulary that Professor Farrar has chosen to use in organising his book: Financial Structure

and membership, corporate power and its regulation, structural problems and change, company collapse and international dimension and main headings within which the traditional rules of company law are explained.

This book deals with evolution of contemporary British company law. In many common law jurisdiction, the more recent changes in British company law are the result of EEC harmonisation efforts which are unlikely to be replicated elsewhere. Consequently British textbooks are decreasingly useful in other common law jurisdictions. However, substantial portions of this work deal with company law prior to the most recent developments in the UK. This approach aids in rendering the book useful in other common law jurisdictions which have not adopted more recent British company law changes.

Another feature of this work, which this reviewer approves, is that the rules of company law where they are unclear, are presented in a manner which points this out and which utilises the writings of academics in law review articles to explain the ambiguity and to suggest possible solutions. The reader will soon lose his impression that company law is a black letter law subject with precise answers in all areas.

In short, this is a highly readable company law text which is presented in a lucid manner which integrates contemporary company law, its historical evolution, its economic context and yet manages to convey the full impact of the caselaw and statutory rules. To answer the question posed at the beginning of this review, this indeed is a work which will occupy a niche hitherto unoccupied, a niche which Tom Hadden attempted to identify.