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Federal Regulation of Corporations 1/
Under the Commerce Clause

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read before

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The constitutional grant of power to Congress is to regulate commerce
~~among the several States, not corporations engaged in such commerce. Con-~~

Commercial corporations - the kind with which we are now concerned - are created for a single purpose - that is, the transaction of business. Business is the very life of such a corporation; without business, it dies. The connection between a corporation and its business being so vital, it follows that the one may not be regulated shilly without regard to the

other. Regulation of interstate commerce, that is, the business of a corporation, necessarily implies some measure of control over corporations engaged in such commerce. Obviously there can be no adequate regulation of interstate commerce that does not extend in some degree to the instruments of such commerce. In the case of the railroads, whose business is not only largely interstate but affects directly and materially the interstate business of others, the need for unified national control has been recognized

of corporations is an accomplished fact.

Every regulation of interstate commerce involves the occupation of a

do not hesitate to exert the most drastic measures of control over such

sufferance and (within limitations) subject to the conditions and limits

at all. The fundamental question is: Will the public interest be better