Federal Regulation of Corporations 1/ Under the Commerce Clause

Paper by Abram F. Myers

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The constitutional grant of power to Congress is to regulate connerce

Conmercial 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 way not be regulated whelly without record 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

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of corporations is an accomplished fact.

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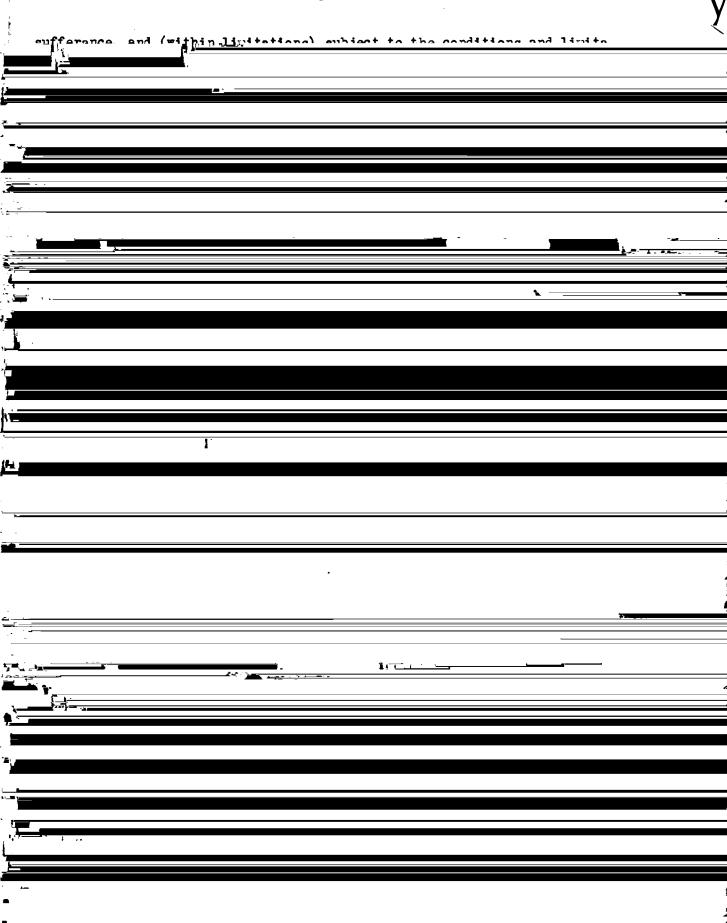
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made that the proposal will further centralize power in administrative

the existing over-supply of bureaus and bureaucrats - a disadvantage which outweighs all possible benefits.

The proponents of Tederal control on the other hand, are fortified.



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