

Lesson 27: Commerce

(Lesson Time 34:00)

[for Sunday, July 26, 2015]

Reading: *The Making of America*, pages 399-411

Chapter 16: Commerce

Pre-lesson questions for homework study and review: [*Supplemental* notes are bracketed]
[287 Constitution Provisions “principles” in text.]

o South resisted (inter-state commerce, between the states)

- sales to Europe would suffer
- Northern states would interfere

o North wanted:

- [free flow of goods]

1. EXPLAIN THE ALL-INCLUSIVE NATURE OF THE FEDERAL GOVERNMENT'S POWER TO REGULATE COMMERCE WITH FOREIGN NATIONS. (PAGE 400)

Provision 82

Regulate foreign commerce

o belongs to any sovereign power

- cut off trade
- set tariffs
- ban certain articles

2. WHY WAS CONGRESS GIVEN AUTHORITY TO REGULATE COMMERCE BETWEEN THE STATES? (401)

Provision 83

Regulate commerce between the states

o Creates a common market between the states

o Avoids states charging customs

o Only to ensure the free flow of goods

3. WITH REGARD TO THE COMMERCE CLAUSE, EXPLAIN THE GOVERNMENT'S SHIFT IN EMPHASIS FROM "COMMERCE" TO "REGULATION." (401-402)

o Gradual shift to “regulate”

- Interstate Commerce Act in 1887
- authorized a commission to set railroad rates

o All transportation and communication

- gas oil and power [had nothing to do with free flow of goods between the states]
- radio and television
- airlines

4. NAME SEVERAL MAJOR ASPECTS OF COMMERCE IN WHICH THE FEDERAL GOVERNMENT HAS EXCEEDED ITS CONSTITUTIONAL AUTHORITY TO REGULATE THE AMERICAN ECONOMY. (402-6)

o Sherman Anti-trust Act

- Is bigness bad?

- Labor regulation
 - appliance safety [buyer is best regulator!]
 - work hours
 - minimum wage
 - working conditions

- Price Regulation
 - milk, oil, phone, etc. [40,000 regulation on hamburgers in 1976]

5. WHAT ARE THE ARGUMENTS GIVEN TO SUPPORT THE STATES' AUTHORITY TO REGULATE THEIR OWN COMMERCE? (406) Courts changing positions

o Original position p 406

- Production is always local
- Commerce begin with interstate movement
- Sales and distribution are state matters

6. WHAT ARE THE ARGUMENTS GIVEN TO JUSTIFY THE FEDERAL GOVERNMENT IN REGULATING ALL ASPECTS OF AMERICAN COMMERCE? (407)

o Unconstitutional position

- Anything affects "current of commerce"
- Commerce affects every aspect

7. DESCRIBE THE LOSS OF STATES' RIGHTS UNDER THE THEORY THAT GIVES THE FEDERAL GOVERNMENT A DOMINANT ROLE IN REGULATING COMMERCE. (407-10)

Loss of States Rights

o See examples p 408

[expansion of regulations, within (intra)state and even within farms!
 Examples from text: Shreveport Case: 1 railroad within LA; regulation of waterways; regulation of employees working only within 1 railroad yard; manufacture and repairs of railroad equipment, but not transporting interstate; local auto dealer (because his sales of autos could be transported interstate); Fair Labor Standards Act (wages and hours employees can hire and pay); Agricultural Adjustment Act 1941 (farm produced goods consumed on same farm regulated!)]

[#1, PRE-LESSON QUESTIONS, LESSON 28]

WHY WAS THE FEDERAL GOVERNMENT GIVEN POWER TO REGULATE COMMERCE WITH THE INDIANS? (PAGES 410-11)

Provision 84

Regulate commerce with Indians

o Tribes treated as separate governments by federal government

o 1824 Bureau of Indian affairs

o 1830 Indian Removal Act [e.g. "Trail of Tears" Cherokees]

o 1924 Indians granted U.S. citizenship

Solving this problem, Suggestions?

- Should Indians have equal rights (nothing more, nothing less? Elevated citizenry? What limits would be needed to be observed?)
- How is their heritage best honored? Special tax exemption?

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QUIZ - LESSON 27

1. WHAT WAS THE SOUTHERN STATES POSITION ON FEDERAL REGULATION OF COMMERCE?

2. DESCRIBE TWO THINGS THE FEDERAL GOVERNMENT CAN DO WITH REGARDS TO FOREIGN COMMERCE.

A) _____

B) _____

3. THE GOAL OF PEOPLE IN GIVING THE CONGRESS AUTHORITY TO REGULATE COMMERCE BETWEEN THE STATES WAS TO CREATE A COMMON _____.

4. THE FOUNDERS INTENT WAS ONLY TO ENSURE A _____
_____ OF _____ BETWEEN THE STATES.

5. GRADUALLY, THE EMPHASIS SHIFTED FROM COMMERCE TO _____

6. THE FIRST INDUSTRY TO BE REGULATED WAS THE _____ BY THE PASSAGE OF THE INTERSTATE _____ ACT IN _____.

7. MANY NEW REGULATORY AGENCIES OF THE GOVERNMENT WERE CREATED COVERING ALL ASPECTS OF MANUFACTURING, DISTRIBUTION, AND SALES OF GOODS. NAME TWO OF THESE ASPECTS. 1) _____

2) _____

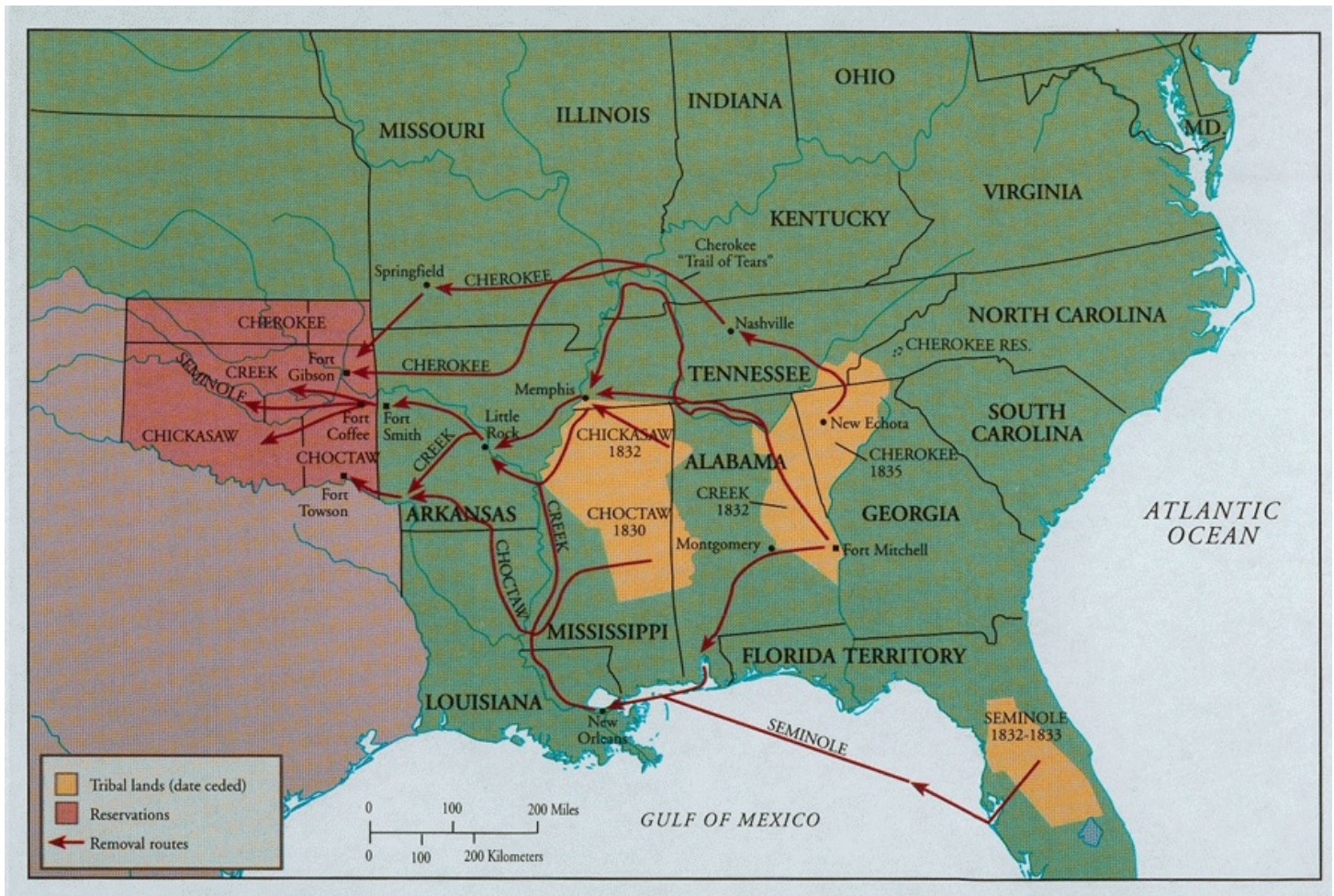
8. THE SUPREME COURT FIRST DEFENDED THE _____ IN THEIR FIGHT AGAINST FEDERAL INTRUSION.

9. LATER, THE SUPREME COURT REVERSED ITSELF AND SAID EVERYTHING FROM

MANUFACTURING TO DISTRIBUTION IS UNDER _____ AUTHORITY.

10. WITH WHICH GROUP OF PEOPLE WAS CONGRESS GIVEN THE RIGHT TO REGULATE ALL TRADE OR COMMERCE? _____.

The Indian Removal Act of 1830



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