

duty to preserve the health or morals of the people. Its political power is not a subject for contract of transfer, and such a contract is void and revocable.<sup>1</sup> Therefore a lottery charter, though contractual with the parties to whom granted, may be revoked by the State, because the contract itself is subject to the supreme and inviolable right of the State to regulate the morals of its people.<sup>2</sup> So it cannot, by charter contract, debar itself from regulating railroad charges, for the railroad company is chartered to perform public functions for the benefit of the public, and the State cannot contract away its duty to protect the people against exorbitant charges. The company is presumed to take the charter subject to the power of the State to regulate it.<sup>3</sup> The contract by a State not to tax the property of a corporation is against public policy, and will not be presumed unless it is clearly exempted.<sup>4</sup> To make such a contract valid, there must be a consideration to the State and the contract must not be against public policy.<sup>5</sup> In the *Lake Front Cases*<sup>6</sup> the Supreme Court held that the State of Illinois held the right of the public lakes and their public use for the benefit of its people, and that it had no power to alienate to a railroad company these rights which it held in trust for the public; that the contract was *ultra vires*, and that a repeal of the law was not an impairment of the contract because the contract itself was void.<sup>7</sup>

The several apparent exceptions to the operation of this clause may now be mentioned. A State may not impair or avoid a valid contract, but it may validate a contract which

<sup>1</sup>Butchers' Union, etc. Co. v. Crescent City, etc. Co., 111 U. S. 746.

<sup>2</sup>Stone v. Mississippi, 101 U. S. 814; Fertilizing Co. v. Hyde Park, 97 id. 659.

<sup>3</sup>Railroad Co. v. Fuller, 17 Wall. 560; Pennsylvania R. R. Co. v. Miller, 132 U. S. 75; Chicago, etc. Ry. Co. v. Wellman, 143 id. 339; New York, etc. R. Co. v. Bristol, 151 id. 556.

<sup>4</sup>New Orleans, etc. Co. v. New Orleans, 143 U. S. 192.

<sup>5</sup>Rector, etc. v. County of Philadelphia, 24 How. 300; Delaware R. R. Tax, 18 Wall. 206; Tucker v. Ferguson, 22 id. 527.

<sup>6</sup>146 U. S. 387.  
<sup>7</sup>New Orleans v. New Orleans Water-works Co., 142 U. S. 79; Goszler v. Corporation of Georgetown, 6 Wheat. 597.

otherwise would be void. It cannot make a contract between two parties, but, where a contract made between them is void for lack of some formality, it may be validated. The propriety to do this may be questioned, but the authority to do it is not forbidden by this clause.<sup>1</sup> Again, the interest allowed by a contract cannot be changed by law, for that would impair the obligation of the contract; but the interest on the judgment of the contract may be changed by the law, for this interest on a judgment is not contractual. It operates by force of law and may be changed.<sup>2</sup> Again, this clause only forbids the impairment of the obligation of a contract, and it does not forbid a State to avoid a liability, for a tort *ex vi termini* is not *ex contractu*.<sup>3</sup>

It has been stated above that a charter to a corporation which is not municipal is a contract with those who accept the charter, invest their money on the faith of it, and operate the corporation, and that the State cannot change such charter without the consent of the corporation. A principle has been settled which it is important to consider as modifying this doctrine. As all of these charters grant to certain individuals powers which belong to the public, and to that extent may be detrimental to the public interest, it has been decided in *Charles River Bridge Co. v. Warren Bridge Co.*<sup>4</sup> that the construction of all such charters must be strictly against the corporation and favorable to the public, and that no corporate powers are to be presumed to be conferred except those expressly granted or such as are implied by clear interpretation. The learning of the court, therefore, is against the surrender of public power to the corporation, and the public is only bound to the extent of that which is clearly granted by the charter. In the leading case just mentioned the legislature of Massachusetts granted to the Charles River Bridge Co. a franchise to build a bridge over the Charles river, and

<sup>1</sup>Clark v. Barnard, 108 U. S. 447.

<sup>2</sup>United States v. Walker, 109 U. S. 259; United States v. Poinier, 140 id. 162.

<sup>3</sup>Freeland v. Williams, 131 U. S.

405.  
<sup>4</sup>11 Pet. 421.



afterwards granted a charter to the Warren Bridge Co. to build a rival structure. It was claimed by the first company that its monopoly was infringed upon by the creation of the new charter, but the Supreme Court held that though that was so, the legislature had not so bound itself in granting the first charter that it could not grant another to any other rival company, and the two charters were therefore held valid. The cases on this subject are numerous, but in this work a discussion of all of the distinctions is not deemed necessary.<sup>1</sup> This also applies especially to cases of exemption from taxation. It is not to be presumed that such exemption is intended to be granted to any corporation, and therefore the construction in favor of it from the charter must be very clear and beyond doubt.<sup>2</sup> Such exemption from taxation may be the subject of contract by a State with a person, but it will not be unless clearly granted.<sup>3</sup>

We will consider now what the clause declares shall not be impaired. Note it does not say the contract shall not be impaired, but *the obligation* of the contract shall not be impaired, because it is possible that the contract may be left in its integrity when its obligation is destroyed. What then is meant by the term "obligation," as applied to the contract? The civil-law view of the contract suggests a very clear meaning for this word *obligation*.<sup>4</sup> The word *pactum* (same root as *pax*) is the *aggregatio mentium* of the parties. Pact is simply the agreement between the parties without reference to its legal effect. Another word, *contract* (*con*

<sup>1</sup> *Beatty v. Knowler*, 4 Pet. 152; *Providence Bank v. Billings*, Id. 514; *United States v. Arredondo*, 6 id. 736; *Dubuque, etc. R. R. Co. v. Litchfield*, 23 How. 66; *West River Bridge Co. v. Dix*, 6 id. 507; *Rice v. Railroad Co.*, 1 Black, 359; *The Binghamton Bridge*, 3 Wall. 51; *Slidell v. Grandjean*, 111 U. S. 412; *Vicksburg, etc. R. R. Co. v. Dennis*, 116 id. 665; *Given v. Wright*, 117 id. 655.

<sup>2</sup> *Woodruff v. Trapnall*, 10 How. 190; *State Bank v. Knoop*, 16 id. 369; *Furman v. Nichol*, 8 Wall. 44; *Home of the Friendless v. Rouse*, Id. 430, 439; *Jefferson Branch Bank v. Skelly*, 1 Black, 436, 474; *Asylum v. New Orleans*, 105 U. S. 362; *Louisiana v. Jumel*, 107 id. 750; *Tennessee v. Whitworth*, 117 id. 138.

<sup>3</sup> *Given v. Wright*, 117 U. S. 655.

<sup>4</sup> *Maine's Ancient Law*, p. 313.

and *traho*), expresses the drawing together of the parties to the pact by the *vinculum juris*. Pact becomes contract when the *vinculum juris* draws and holds the parties together. Pact, without legal sanction, is *nudum pactum*; with legal sanction it is a contract. Obligation (*ob* and *ligo*, binding upon one or to the other) is defined to be *juris vinculum, quo necessitate adstringimur alicujus solvendæ rei*. Contract, therefore, is equal to pact plus obligation. Pact minus obligation is *nudum pactum*.<sup>1</sup> Obligation of contract is therefore the chain of law which binds parties to the pact, the chain which the law throws around the parties who have made a pact; hence all the legal machinery by which each party to a pact is *ex necessitate legis* bound to fulfill its terms constitutes the chain — the obligation of the contract; but to take away or weaken any link in that chain or any part of the legal machinery (a procedure which obliges the party to perform it) is *pro tanto* to impair the obligation of the contract and is forbidden by this clause of the Constitution. The chain is only as strong as its weakest link. To weaken any link is therefore to weaken the chain.

Each essential remedy to this obligation afforded by State law, at the time of the contract, is secured against impairment by State law. Each is a link in the chain, and to destroy or impair any link is to destroy the obligation of the contract. To leave the contract untouched is not sufficient. The State must leave every essential remedial link in the procedure which constitutes the *vinculum juris* in all of its integrity and without impairment. In the language of Justice Curtis in *Curran v. Arkansas*:<sup>2</sup> "If the law is so changed that the means of enforcing the duty are materially impaired, the obligation of the contract no longer remains the same." In other words the parties contracted on the faith of the remedial procedure by which its obligation is to be enforced. The material impairment of any part of this procedure is to impair the obligation of the contract.<sup>3</sup> The right to sue

<sup>1</sup> *State of Louisiana v. Mayor, etc.*, 109 U. S. 285; *Pennsylvania R. Co. v. Miller*, 132 id. 75.

<sup>2</sup> 15 How. 304.

<sup>3</sup> *Tennessee v. Sneed*, 96 U. S. 69; *Louisiana v. New Orleans*, 102 id.



upon a contract, to prosecute it to judgment, and to issue execution against any party and his property for the satisfaction of the judgment, are successive links in this *vinculum juris*, and included in this are all provisions for sale of property under such execution, or the sale under mortgage or other security given for the debt. A material change in any of these provisions is a change in the *vinculum juris*. If the chain lessens the security it impairs the obligation.<sup>1</sup>

Any such change may be made by the legislature to operate as to future contracts, but cannot operate as to prior contracts. The statute of limitations may be changed by a State and the time may be shortened, but if so shortened as to defeat a right to sue, existing at the date of the law making the change, it impairs the obligation of a contract and is void. And it is held that all such statutes of limitations will be void as to prior contracts, unless the new limitation leaves ample and sufficient time for the party to sue. If it does not it is void.<sup>2</sup> Where executions are allowed at the date of the contract against land and personal property of the debtor, and a law is passed which materially changes the property subject to execution, or postponing the sale of such property by levy or execution, or postponing the sale under a mortgage beyond the time prescribed by it, or making the sale invalid if the property does not bring a certain amount of money, all of these impair the obligation of the contract, because they weaken the link in the *vinculum juris*.

But it is clear that the courts, especially of equity, have judicial discretion to see that property shall not be sacrificed, and may adopt rules which postpone the right of the creditor until a fair sale of the property according to judicial rules can be made. This is not law-making, but it is judicial discretion, and the exercise of such discretion is not within the

203; Hartman v. Greenhow, Id. 672; 608; Howard v. Bugbee, 24 id. 461; Fertilizing Co. v. Hyde Park, 97 id. Gunn v. Barry, 15 Wall. 610. 659; Virginia Coupon Cases, 114 id. <sup>2</sup>Terry v. Anderson, 95 U. S. 628; 269; White v. Hart, 13 Wall. 646; McGahey v. Virginia, 135 id. 662; Walker v. Whitehead, 16 id. 314. Wheeler v. Jackson, 137 id. 245.

<sup>1</sup>McCracken v. Hayward, 2 How.

prohibition of this clause;<sup>1</sup> and, while execution against the property of a debtor cannot be materially changed, yet the execution of *ca. sa.*, which constrains the debtor's liberty to enforce the payment of the debt, may be abolished or changed without an impairment of the obligation of the contract. The semi-punitive means of imprisonment of the debtor is not regarded as an essential part of the obligation. The means of the debtor, his property, is still left without impairment within the reach of the creditor,<sup>2</sup> nor will any change in the form of action or the mode of court procedure, unless material to its efficiency, be held as an impairment of the obligation of the contract.<sup>3</sup> There was a *dictum* in *Bronson v. Kinzie*,<sup>4</sup> to the effect that what are known as poor-law exemptions might be increased with moderation without conflict with this clause of the Constitution, it being held that the State had a right to provide, by internal polity, against the utter destitution of the poor debtor by execution laws which would sweep away the essential parts of household and kitchen furniture used for the preservation of the life of the inmates of his home. But this *dictum* must be carefully guarded, for it is on the verge of impairment of the obligation of contracts, and, if unduly extended, would amount to it. Thus, homestead laws have been passed in late years which largely extend the exemptions of the debtor's property from the reach of execution. In Virginia \$2,000 worth of property is saved to the debtor as his homestead. This would defeat many debts and clearly would impair the obligation of the contract, and such laws have been held void.<sup>5</sup> So stay laws, and laws postponing the foreclosure of mortgages and the like, which would not prevent

<sup>1</sup>Denney v. Bennett, 128 U. S. 489. <sup>4</sup>1 How. 313.

<sup>2</sup>Penniman's Case, 103 U. S. 714. <sup>5</sup>Curran v. Arkansas, 15 How.

<sup>3</sup>White v. Hart, 13 Wall. 646; 304; Von Hoffman v. Quincy, 4 Tennessee v. Sneed, 96 U. S. 69; Wall. 535; Taylor v. Stearns, 18 Edwards v. Kearzey, Id. 595; Louisiana v. New Orleans, 102 id. 203; 22 id. 266. Antoni v. Greenhow, 107 id. 769.



but delay the remedy provided by the contract, are changes in the terms of the contract which impair its obligation.<sup>1</sup> In the *Virginia Coupon Cases*,<sup>2</sup> and in *McGahey v. Virginia*,<sup>3</sup> the law of Virginia which changed the contract of these coupons, which were made receivable in the payment of taxes to the State, and forbade their reception for taxes, was a clear impairment of the obligation of the contract, and was so held by the Supreme Court of Virginia and by the Supreme Court of the United States. In all of the above cases the prohibition applies to the obligation of implied as well as express contracts.<sup>4</sup> It may be well to say that a law of Virginia, passed prior to March 4, 1789, which impaired a pre-existing contract, was held to be a valid law, because made before the Constitution went into effect.<sup>5</sup> Does the prohibition to the States, to pass any law impairing the obligation of a contract, involve the inference that Congress may pass such laws. Clearly not, except as to the grant of power to Congress to pass uniform bankrupt laws.<sup>6</sup> The State, because of this prohibitory clause, cannot pass a bankrupt law, but Congress under the express grant of power may do so. On this subject reference may be made to what has been said before.<sup>7</sup>

The remaining words of these prohibitions are: "No State shall grant any title of nobility." This prohibition applies equally to Congress.<sup>8</sup> The obvious purpose of these two prohibitions was that the States of the Union were to continue republican States. The guaranty clause shows this.<sup>9</sup>

<sup>1</sup> *Sturges v. Crowninshield*, 4 Wheat. 200; *Ogden v. Saunders*, 12 id. 213; *Planters' Bank v. Sharp*, 6 How. 301; *Hawthorne v. Calef*, 2 Wall. 10; *Taylor v. Stearns*, 18 Gratt. 244.

<sup>2</sup> 114 U. S. 269.

<sup>3</sup> 135 U. S. 662.

<sup>4</sup> *Gunn v. Barry*, 15 Wall. 610; *Fisk v. Jefferson Police Jury*, 116 U. S. 131.

<sup>5</sup> *Owens v. Speed*, 5 Wheat. 420.

<sup>6</sup> Const. U. S., Art. I, sec. 8, clause 4.

<sup>7</sup> *Ante*, Bankruptcy. See also *Cooley on the Constitution*, 343, 344; *Gunn v. Barry*, 15 Wall. 610, and the dissenting opinion in *Sinking Fund Cases*, 99 U. S. 700.

<sup>8</sup> Const. U. S., Art. I, sec. 9, clause 8.

<sup>9</sup> *Id.*, Art. IV, sec. 1, clause 1.

Baron Montesquieu had declared, and his statement was quoted with approbation in the *Federalist*, that a union between republics and monarchies was inconsistent. Nobles are non-elective, their political power being hereditary. The existence of such a class would be inconsistent with our republican system in State and Federal government. The consideration of this article calls for an observation upon the effect of its provisions upon the broader question of the relations of States to the Union.

We come now to qualified limitations upon the powers of the States. Those in the first clause of this section were absolute. The second clause of this section provides: "No State shall, without the consent of the Congress, lay any imposts or duties on imports or exports, except what may be absolutely necessary for executing its inspection laws: and the net produce of all duties and imposts, laid by any State on imports or exports, shall be for the use of the treasury of the United States; and all such laws shall be subject to the revision and control of the Congress." An analysis of this section results in this: *First*. The State is prohibited from laying any duties on imports or exports, without the consent of Congress. *Second*. Despite this prohibition the State may lay such imposts or duties where absolutely necessary for executing its inspection laws. *Third*. The net produce of all duties and imposts laid by any State shall be for the use of the treasury of the United States. *Fourth*. All such laws shall be subject to the revision and control of Congress. It will be noted that under the first head a State may lay duties on exports as well as imports with the consent of Congress. Congress cannot lay any duties or tax on articles exported from any State.<sup>1</sup> This power to lay imposts or duties on imports might infringe upon the power of Congress to lay duties on imports, and it is therefore intended that the State should not exercise this power, which might so conflict with the revenue power of Congress, without its consent. And further, lest there should be conflict

<sup>1</sup> *Id.*, Art. I, sec. 9, clause 5.



after the consent of Congress was given, the saving clause was inserted, that the net produce of all such duties and imports (that is, after paying the expenses of collection) should go into the treasury of the United States. This prevented the State from using this power for revenue purposes. The purpose the States might have in view in such duties was intimated to the convention as being the protection of their own products against foreign competition. The case of *Brown v. Maryland*<sup>1</sup> decided that a license tax imposed by the State of Maryland after they pass the custom-house was a tax and duty on imports, and being without the consent of Congress was unconstitutional and void. The court held that a duty on imports then was not merely a duty on the act of importation, but is a duty on the thing imported; a duty on the articles entering the country, as well as a duty on the article after it has entered the country. The words "exports" and "imports," here used, mean to and from the foreign country.<sup>2</sup>

It does not seem that this power of the State has ever been exercised under any consent of Congress. Under the second head we have the exceptions of such imposts or duties on imports or exports as may be absolutely necessary for executing the inspection laws of a State. The language and the decisions under it make this exception free from the necessity of the pre-consent of Congress. In the great case of *Gibbons v. Ogden*,<sup>3</sup> the Chief Justice said that the power to pass inspection laws was not derived from the power to regulate commerce, but was distinct from it; and also that "the object of inspection laws is to improve the quality of articles produced by the labor of a country; to fit them for exportation; or it may be, for domestic use. They act upon the subject before it becomes an article of foreign commerce, or of commerce among the States, and prepare it for

<sup>1</sup> 12 Wheat. 419; *Law v. Austin*, 169; *Brown v. Houston*, 114 U. S. 13 Wall. 29. 622.

<sup>2</sup> *Woodruff v. Parham*, 8 Wall. 123; *Almie v. California*, 24 How. <sup>3</sup> 9 Wheat. 1, 203.

that purpose. They form a portion of that immense mass of legislation, which embraces everything within the territory of a State, not surrendered to a general government; all which can be most advantageously exercised by the States themselves." In the case of *Turner v. Maryland*,<sup>1</sup> Mr. Justice Blatchford, in a very elaborate opinion, resting upon the decision and language of the opinion in *Gibbons v. Ogden*, *supra*, says that these laws "may have a remote and considerable influence on commerce;" and decided, speaking for the court, that the function of inspection is not only to inspect the article produced, but the package containing it, and therefore that involves the inspection of the "quality of the article, form, capacity, dimensions and weight of package, mode of putting up and marking and branding of various kinds," and that they may lawfully require the article to be brought to a State warehouse for inspection. All of these provisions (as to which the opinion goes into great detail) are proper for inspection laws, and taxes and duties imposed upon articles so to be exported are valid because within the exception of this clause of the Constitution. In the case of *People v. Compagnie, etc.*,<sup>2</sup> the Supreme Court sanctioned the decision just cited, and decided further that it applied exclusively to the inspection of personal property. But let it be observed that these inspection laws, and the duties on imports or exports connected therewith, do not need the pre-consent of Congress; that the last sentence of this clause clearly makes them subject to the revision and control of the Congress. In the case of *Turner v. Maryland*, *supra*, the inspection laws as to tobacco adopted by the State of Maryland as well as an outage charge were held to be constitutional. The revision of these laws and control of them by Congress was intended to prevent the inspection power of the States by provisions that might conflict with the revenue and commercial powers of the Federal government. It is not very clear whether the net produce

<sup>1</sup> 107 U. S. 38.

<sup>2</sup> 107 U. S. 59.



which is to be paid into the treasury from such duties and imposts applies to those laid for executing its inspection laws, but it is probable that the fair construction applies to those imposts or duties which are to be laid only with the consent of Congress, as well as those which are laid in respect to the execution of the inspection laws.

"No State shall, without the consent of Congress, lay any duty of tonnage." The power to lay duties on tonnage is clearly included in the eighth section of the first article of the Constitution. If the States could lay a duty on tonnage, it would interfere with the power given to Congress; therefore this prohibition on the State's exercise of the power is subject to the pre-consent of Congress. A duty on tonnage is not only a revenue, but a commercial measure, because to regulate commerce, as we have seen, means to regulate navigation. A duty on tonnage meant to prohibit the States from levying a duty on vessels, measured by their capacity, or upon them as instruments of commerce, or upon their privilege of trading to any port. These all relate to commerce, to vessels as the instruments of commerce with foreign nations or among the States, and belong to Congress under the powers just referred to.<sup>1</sup> A State may tax the ship as property,<sup>2</sup> but cannot tax the vessel by the ton.<sup>3</sup> So demanding of a vessel on landing a sum proportioned to its tonnage is within this prohibition.<sup>4</sup> But a wharfage due is not a tax and may be laid in proportion to tonnage.<sup>5</sup>

The clause proceeds: No State "shall keep troops or ships of war, in time of peace," without the consent of Con-

<sup>1</sup> Cannon v. New Orleans, 20 Wall. 577; State Tonnage Tax Case, 12 id. 204; Steamship Co. v. Tinker, 94 U. S. 238; Peete v. Morgan, 6 Wall. 31; s. c., 19 id. 581; Steamship Co. v. Port Wardens, 6 id. 34; Transportation Co. v. Wheeling, 99 U. S. 273.

<sup>2</sup> Transportation Co. v. Wheeling, 99 U. S. 273; St. Louis v. Ferry Co., 11 Wall. 423.

<sup>3</sup> State Tonnage Tax Cases, *supra*.  
<sup>4</sup> Steamship Co. v. Tinker, 94 U. S. 238, *supra*; Peete v. Morgan, 19 Wall. 581, *supra*; Cannon v. New Orleans, 20 Wall. 577.

<sup>5</sup> Packet Co. v. Keokuk, 95 U. S. 80; Packet Co. v. Catlettsburg, 105 id. 559.

gress. This was to prevent the States from being on a war footing. If they had this power it might be dangerous to their neighbors in the Union or incite them to belligerency with foreign powers, either of which would involve the Union in the hostile action of any one of its members, which would be contrary to the nature of the alliance between them. But this does not mean to forbid the use of the militia, which is left completely under the control of the States, by the previous provisions of the Constitution, except when they are called forth to execute the laws of the Union.<sup>1</sup> This is the more obvious from the latter part of this clause, which forbids the State to engage in war, unless invaded or in such imminent danger as will not admit of delay. So that it is clear a State may engage in war when actually invaded, etc.; but how could it engage in war in either event unless it had an armed force; and that such was within the contemplation of the framers of the Constitution is obvious from the two important numbers of the *Federalist* to which reference has been made in a former part of this work.<sup>2</sup>

The remaining prohibition of this clause is that no State shall, without the consent of Congress, "enter into any agreement or compact with another State, or with a foreign power." The object of this is very clear. An agreement or compact with another State, of a political character, might be in conflict with the agreement and compact of the Union. A compact as to boundary might enlarge or decrease one or the other State, and might in this way transfer territory from one to the other, which, under the fair interpretation of the subsequent provisions of the Constitution, should require the consent of Congress. Under the pretext of settling a boundary line, one State might be materially increased and another diminished, which would change the proportion of representation in the House of Representatives by the action of two States without the consent of the oth-

<sup>1</sup> Const. U. S., Art. I, sec. 8, clauses 16, 17.

<sup>2</sup> Federalist, Nos. XXVIII, LXVI.



ers. It was a wise policy, therefore, which prohibited any such action by two States without the consent of the Congress.<sup>1</sup> In closing this comment upon the prohibitions upon the States, it is proper to say that but for this prohibition the States were in condition to have exercised concurrently with Congress all the chief powers which were vested in it by the Constitution, and the purpose of the Constitution was to maintain in their integrity the powers which the States had conferred upon the general government without the right of any one State to interfere with them. These are all of the prohibitions that were made under the original Constitution, and are those referred to in the tenth amendment to the Constitution by the words: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

The war between the States which began in 1861 and ended in 1865 suggested, in the course of a few years, three amendments: the thirteenth, fourteenth and fifteenth, which contain further and important limitations to the powers of the States, to which attention will now be called. Much has been said as to the character of the powers delegated to the United States as compared to those reserved to the States, and it has been concluded by some writers that the States, by the Constitution, have been reduced to municipalities, while all the chief sovereign powers have been granted to the Federal government. It is said the war power, the treaty power, the commerce power, and the like, are national powers which belong to the Federal government and are denied to the States.

Looking to the number of powers assigned to the two governments in our system, all of which are sovereign powers, the State has unquestionably the large majority of them. The nature of the two classes gives the pre-eminence in the reach and majesty of power to the Federal government. The State in the management of internal polity has a wide field,

<sup>1</sup> *Poole v. Fleeger*, 11 Pet. 185; *Rhode Island v. Massachusetts*, 12 id. 657.

but these domestic objects are not as striking in their dignity as the range of Federal polity over the affairs of a continent, and the international relations of the continent to the outside world. But in their essential sovereignty of dominion they are alike and are of equal dignity.

The real question in the comparison of the two classes is as to the holders of the respective powers. The Federal government holds the one class and the State governments the other class. Back of both is the reserved authority of the States, as delegators of both classes, and as the original source of all powers belonging to both governments. The powers held by the Federal and State governments are delegated to them by the States, as the Bodies-politic, with essential sovereignty, from which emanate the functional capacities of each of these governments. That this is so, in fact, is demonstrated by these sections of the Constitution which prohibit the States from the exercise of certain functions assigned to the Federal government. Each prohibition is a negation, with the affirmation that except for the self-denial each State could exercise the forbidden power. The State has all the potentiality to exercise the power, else why forbid its exercise by the State? If the nature of the Federal system shriveled the statehood into such proportion that the State had no potentiality to make war or treaties, why forbid it to do so? The prohibition implies the potentiality, which must be prevented from exercise by a self-denying stipulation. Annul the prohibition by striking out this section, and these powers would belong to the State governments concurrently with the Federal government. The States granted them to the Federal government and denied them to the State governments, because the States wisely declared such powers were better delegated exclusively to the Federal government than to the State governments concurrently with that government, or by exclusive reservation.

So far, therefore, from these sections supporting the idea that the States are dwarfed into municipalities by them,