

Sec. 8—Powers of Congress

Cl. 3—Power to Regulate Commerce

The Expansive “Current of Commerce” Doctrine: The Swift Case.—Defendants in *Swift* were some thirty firms engaged in Chicago and other cities in the business of buying livestock in their stockyards, converting it at their packing houses into fresh meat, and selling and shipping such fresh meat to purchasers in other states. The charge against them was that they had entered into a combination to refrain from bidding against each other in the local markets, to fix the prices at which they would sell, to restrict shipments of meat, and to do other forbidden acts. The case was appealed to the Supreme Court on defendants’ contention that certain of the acts complained of were not acts of interstate commerce and so did not fall within a valid reading of the Sherman Act. The Court, however, sustained the government on the ground that the “scheme as a whole” came within the act, and that the local activities alleged were simply part and parcel of this general scheme.⁸⁸²

Referring to the purchase of livestock at the stockyards, the Court, speaking by Justice Holmes, said: “Commerce among the States is not a technical legal conception, but a practical one, drawn from the course of business. When cattle are sent for sale from a place in one State, with the expectation that they will end their transit, after purchase, in another, and when in effect they do so, with only the interruption necessary to find a purchaser at the stockyards, and when this is a typical, constantly recurring course, the current thus existing is a current of commerce among the States, and the purchase of the cattle is a part and incident of such commerce.”⁸⁸³ Likewise the sales alleged of fresh meat at the slaughtering places fell within the general design. Even if they imported a technical passing of title at the slaughtering places, they also imported that the sales were to persons in other states, and that shipments to such states were part of the transaction.⁸⁸⁴ Thus, sales of the type that in the *Sugar Trust* case, that had been thrust to one side as immaterial from the point of view of the law because they merely enabled the manufacturer “to fulfill its function,” were here treated as merged in an interstate commerce stream.

Thus, the concept of commerce as *trade*, that is, as *traffic*, again entered the constitutional law picture, with the result that conditions directly affecting interstate trade could not be dismissed on the ground that they affected interstate commerce, in the sense of interstate *transportation*, only “indirectly.” Lastly, the Court added these significant words: “But we do not mean to imply that the rule which marks the point at which state taxation or regulation be-

⁸⁸² *Swift & Co. v. United States*, 196 U.S. 375, 396 (1905).

⁸⁸³ 196 U.S. at 398–99.

⁸⁸⁴ 196 U.S. at 399–401.