Gibbons v. Ogden / Summary of Decision

In a unanimous decision, the Supreme Court ruled in favor of Gibbons. The justices agreed that the Commerce Clause gave Congress the power to regulate the operation of steamboats between New York and New Jersey. Therefore, the license issued to Gibbons by Congress to operate a coast ferry service superseded the monopoly license to operate a ferry service issued to Ogden by the state of New York. The decision centered on the Court's interpretation of the Commerce Clause, found in Article I, Section 8 of the Constitution, which gives Congress "power to regulate commerce ... among the several states." The first issue raised in this case was the definition of the word "commerce." The second issue was the meaning of the phrase "among the several states." Writing the opinion for the Court, Chief Justice Marshall interpreted the meaning of the Commerce Clause to give Congress broad power over commercial activity and reduced that of the states.

Chief Justice Marshall first addressed the controversy over the meaning of the word "commerce" as used in the Commerce Clause. Rather than limit the interpretation of "commerce" to give Congress power to regulate only "buying and selling" of goods, the Chief Justice adopted a broader definition. According to this definition, "commerce" refers not only to the buying and selling of goods, but also to "commercial intercourse," including navigation. The Chief Justice justified this broad interpretation by examining the original intention of the Framers of the Constitution. He noted that one of the "immediate causes" leading to the adoption of the Constitution was to allow the federal government to regulate commerce in order to avoid the "embarrassing and destructive consequences" of leaving such regulation up to the "legislation of so many different States." Furthermore, "[a]ll America understands ... the word 'commerce' to [include] navigation. It was so understood ... when the Constitution was framed." Thus, he concluded, it was consistent with the intent of the Framers to interpret the Commerce Clause to give Congress broad power over the regulation of commercial activity, including the operation of steamboats between New York and New Jersey.

The Chief Justice then considered the meaning of the phrase "among the several States." The controversy here centered on whether the Commerce Clause gave Congress authority to regulate only commercial activity that occurred at the borders of states, or whether Congress could regulate activity occurring within states that would eventually lead to commercial activity between states. In other words, could Congress regulate only the actual passing of goods over state borders, or did the Commerce Clause allow Congress to regulate activity within states, like the transportation of goods, for example, that would lead to the passing of goods over state borders? Concluding that "[t]he word 'among' means intermingled with," Chief Justice Marshall held that within the meaning of the Commerce Clause, Congressional authority to regulate commerce "cannot stop at the external boundary line of each State, but may be introduced into

the interior." He was careful to note, however, that Congress' power under the Commerce Clause did not extend to the regulation of commercial activity taking place completely within one state which "does not extend to or affect other States." Thus, Chief Justice Marshall adopted a broad interpretation of the Commerce Clause, giving Congress great authority to regulate commercial activity within and between states and expanding the power of the federal government over the states.

© 2020 Street Law, Inc.