

Lesson Title: The Long Life of the U.S. Constitution

Handout #3: *Schechter Poultry Corp. v. United States* 295 US 495, 1935

Perhaps the most specific enumeration in the body of the Constitution is Article I, Section 8, which includes the power of Congress to borrow money, regulate commerce, coin money, build post offices and roads, provide patent rights, create an army and a navy to suppress revolts and repel invasions, and much more. Clause 3, which names the regulation of commerce, has become the basis of a huge body of case law on the power of the government in the business sphere. One famous case that reversed an encroachment of that power was *Schechter Poultry Corp. v. United States*.

The Case

During the Great Depression, the Roosevelt administration passed the National Industrial Recovery Act (NIRA), which authorized the President to approve “codes of fair competition” for the poultry industry and other industries. The NIRA also contained provisions on the right of unions to organize, maximum work hours and conditions, price and wage fixing, and more.

Requirements regarding the selling of whole chickens prohibited the sale of unhealthy ones. Schechter Poultry had been charged with 18 counts of violating the poultry industry code. The Schechter case is therefore nicknamed the “Sick Chicken Case.”

The Decision

The Court decided that the industrial codes of fair competition violated the constitutional separation of powers as an illegal delegation of the power of Congress to an over-reaching Executive Branch. It also cited the 10th Amendment, which reserved powers to the states, which should have the powers abrogated by much of the NIRA. Justice Charles Evans Hughes and Justice Benjamin Cardozo agreed that:

“...to permit Congress to regulate the wages and hours in a tiny slaughterhouse because of remote effects on interstate commerce would leave nothing for the tenth amendment to reserve to the states.”

Following the Schechter case, Justice Louis Brandeis remarked that, “This is the end of this business of centralization, and I want you to go back and tell the president that we’re not going to let this government centralize everything.” Roosevelt was furious, and subsequently tried unsuccessfully to pack the court with additional justices.

Article I, Section 8, Clause 3: The Congress shall have power to regulate commerce with foreign nations, and among the several states, and with the Indian tribes;

Amendment 10: 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.

Questions to Answer:

1. Who were the plaintiffs, and what were their arguments?
2. Who were the defendants, and how did they justify their actions?
3. How did the court decide the case, and what part(s) of the Bill of Rights were cited in the majority opinion?
4. What were the long-term effects of this decision?