Chief Justice John Marshall and Federalism

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The organizers of today's symposium suggested that I talk about the great Chief Justice's views on state sovereignty. Certainly, the current Supreme Court's preoccupation with that subject suggests its timeliness. A good place to start the consideration of John Marshall's contributions in establishing the structural relationship between the sovereignty of the states and the superior sovereignty of the United States is the Virginia Convention that in June of 1788, over rather strong opposition, ultimately ratified the Constitution of 1787.  

John Marshall, then a Richmond lawyer, was a delegate to that Convention and a participant in its debates.

The source of Virginian opposition to ratification was the interrelationship between three key provisions of the 1783 Peace Treaty with Great Britain, and two key provisions of the proposed constitution.

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The Peace Treaty provided in Article IV "that creditors on either side, shall meet no lawful impediment to the recovery of the full value in sterling money, of all bona fide debts heretofore contracted." In Article V it provided that completed escheats of loyalist properties could be undone only by action of the state legislatures, but in Article VI it prohibited all future confiscations. Articles IV and VI were extremely unpopular in Virginia because at the end of the war, Great Britain had carried off from the south a large number of slaves. The Treaty made no provision for compensating their owners, while at the same time it protected British creditors and landowners.

The proposed constitution provided in Article VI that "all treaties made, or which shall be made, under the authority of the United States shall be the Supreme Law of the Land; and the judges in every state shall be bound thereby, anything in the Constitution or laws of any State to the Contrary notwithstanding." This was an explicit reference to the

3 Treaty of Peace, Sept. 13, 1783, U.S.-Gr. Brit., art. IV, 8 Stat. 80, 82 [hereinafter Treaty of Peace]; see Eskridge, supra note 2, at 1063 (citing Marshall's argument, when he defended debtors in Ware v. Hylton, 3 U.S. 199, 220 (1796), that treaty provision only applied in cases where debt existed in 1783); Martin S. Flaherty, Are We to Be a Nation? Federal Power vs. "States' Rights" in Foreign Affairs, 70 U. COLO. L. REV. 1277, 1313 n.169 (1999) (asserting that many states did not enforce U.S.'s treaty obligations, which would have allowed British merchants to collect their prewar debts).


5 See Treaty of Peace, supra note 3, at art. VI; Golove, supra note 4, at 1122 (concluding that court had no difficulty finding provision for restitution of confiscated land fell well within scope of treaty power). See generally McDonnell, supra note 4, at 1408 n.25 (noting court in Ware v. Hylton placed emphasis on word debt in Article V Treaty).

6 See John J. Gibbons, The Eleventh Amendment and State Sovereign Immunity: A Reinterpretation, 83 COLUM. L. REV. 1889, 1901 n.59 (1983) (quoting letter written by George Mason "[i]f we are now to pay the debts due the British merchants, what have we been fighting for all this while?"); see also Golove, supra note 4, at 1126 n.142 (noting Virginia Governor's proclamation suspended Act until Great Britain stop violating Treaty of Peace by not returning or paying compensation for confiscated slaves); Calvin R. Massey, The Locus of Sovereignty: Judicial Review, Legislative Supremacy, and Federalism in the Constitutional Traditions of Canada and the United States, 190 DUKE L.J. 1229, 1243 n.60 (1990) (asserting treaty was controversial because it did nothing to compensate southerners for value of slaves carried off by British).

7 U.S. CONST. art. VI, cl. 2.
supremacy of Peace Treaty Articles IV and VI over conflicting state law. And in the Judiciary Article, Section 2 of the Constitution provided that “the Judicial Power shall extend to all cases, in law or equity, arising under this Constitution, the Laws of the United States, and treaties made, or which shall be made, under their authority...”8 Thus, Article III said in plain language, that Treaty Articles IV and VI could be enforced as the supreme Law of the Land by the “Judicial Power” of the United States.9

In 1777, Virginia had provided by statute that debts owed to British creditors could be discharged by payment of those debts into the state treasury in paper money, and that statute continued in operation after execution of the Treaty. Moreover, Virginia had enacted a procedure for the confiscation of real estate owned by British nationals. The effect on these statutes of Articles III and VI of the Constitution was a subject of heated debate in the 1788 Virginia ratifying convention. Particular reference was made to a large tract of Virginia real estate owned by Lord Fairfax. Both the debt problem and the real estate escheat problem would eventually come before the United States Supreme Court in two cases in which John Marshall was a participant, though not as a justice.

The first case is Ware v. Hylton,10 a diversity case in which Marshall, the lawyer, represented Virginia debtors sued in the United States Circuit Court on a debt to British creditors contracted in 1774.11 The Virginia creditors had in 1780 pursuant to the 1777 statute paid a part of the debt into the Virginia treasury, and they pleaded that this discharged that much of it. The Circuit Court ruled in favor of Marshall’s

8 U.S. CONST. art. III, § 2, cl. 1.
9 See McDonnell, supra note 5, at 1417 (attesting that underlying assumption of Article VI was that it gave individuals right to assert treaties in federal and state courts as rules of decision.); James E. Pfander, Rethinking the Supreme Court’s Original Jurisdiction in State-Party Cases, 82 CAL. L. REV. 555, 603 (1994) (affirming that Southern defiance of treaty led to Supremacy Clause’s declaration that treaties are binding on states and Article III’s provision for federal jurisdiction over cases arising under duly ratified treaties). See generally Bradley, supra note 1, at 126 (explaining that uncertainties about scope of state and national powers made it unclear whether treaties were in fact infringing on states’ rights).
11 See id. at 235 (Marshall doubted whether Congress has power to make treaty which would annul legislative act of state).
In his only argument before the United States Supreme Court, Marshall urged that under Virginia law, the debt was discharged prior to the execution of the 1783 Treaty. Marshall lost the appeal. In a decision having significance to this day, the Supreme Court held that a treaty could and did retrospectively nullify the Virginia debt discharge law and restore the obligation to pay the British creditors. Thus in losing, Marshall helped, in a way, to establish the primacy of the United States rather than the states in the conduct of foreign affairs.

Oddly enough in his private affairs, Marshall, with other members of his family, took steps in reliance on the efficacy of Article VI of the Peace Treaty that would lead, eventually, to another great Supreme Court case about federal supremacy. In 1793, they purchased the Fairfax estate that had been mentioned so prominently in the debates in the Virginia ratifying convention. They did so, obviously, in reliance on the protection afforded to loyalist landowners by Article VI of the Peace Treaty, and in the belief that the escheat process specified in the Virginia

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12 See Ware, 3 U.S. at 221 (Circuit Court allowed demurrer in favor of defendants and plaintiff brought writ of error before Supreme Court).

13 See id. at 227 (if Virginia law had made direct and unqualified confiscation, there would be no doubt of its validity, debt would have been discharged and there would be no reason to revive it); see also Burrus M. Carnahan, Lincoln, Lieber and the Laws of War: The Origins and Limits of the Principle of Military Necessity, 92 AM. J. INT'L L. 213, 217 n.23 (1998) (commenting that John Marshall had argued that state governments, during American Revolution, could “confiscate” private debts owed to British creditors because they were property of enemy aliens).

14 See Ware, 3 U.S. at 244-45 (holding that Federal Constitution establishes power of treaty over Constitution and laws of states and Court have shown that supremacy clause was intended and sufficient to nullify law of Virginia); see also Lessee of Pollard's Heirs v. Kibbe, 39 U.S. 353, 519 (1840) (stating that Ware held that Treaty of Peace repealed and nullified all state law, but its own operation, revived debt, removed all lawful impediments, and was supreme law); Sean D. Murphy, Contemporary Practice of the United States Relating to International Law, 95 AM. J. INT'L L 132, 142 (2001) (noting that holding of Ware was that United States's treaty with Great Britain ending Revolutionary War invalidated Virginia statute that had provided for discharge of private debts owed to invalidated private British subjects).

15 See Barbara J. Frischholz and John M. Raymond, Lawyers Who Established International Law in the United States, 1776-1914, 76 AM. J. INT'L L. 802, 805 (1982) (stating that Marshall formulated and qualified doctrine of absolute territorial jurisdiction of sovereign and that his clear statement of law has been quoted and followed abroad as well as in this country); Charles F. Hobson, Editing Marshall, 33 J. MARSHALL L. REV. 823, 837 (2000) (noting that Marshall played central role in history and that although his client's loss on issue, Marshall made best case possible for debtors and obtained better settlement than they otherwise might have received).

statute had not been completed prior to 1783. Had it been, Article V of the Treaty would have protected landowners who derived their title through the Virginia escheat rather than from Lord Fairfax.

Marshall's positions as a lawyer and as a businessman were actually consistent. In *Ware v. Hylton* he urged that the critical event, payment into the Virginia treasury, occurred prior to the Treaty, while his purchase of the Fairfax estate was made in the belief that the critical event—formal escheat—was not made until after its ratification. In neither case did he challenge the supremacy of the Treaty over state law, assuming its application. And although his client in *Ware v. Hylton* lost, in the land deal the outcome was favorable to him and his associates. In *Fairfax Devise v. Hunter's Lessee* the Supreme Court reversed a judgment of the Virginia Court of Appeals and held that because the formal statutory escheat procedures had not been invoked, Lord Fairfax's land titles were protected by treaty.

Coming in 1812 when the United States was again at war with Great Britain, this reversal was a bitter pill for the Virginians, and the Virginia Court of Appeals reacted with the most dramatic assertion of state supremacy in our pre-Civil War history. It held that Section 25 of the Judiciary Act of 1789 authorizing the Supreme Court to review judgments of state courts rejecting federal claims was on state sovereignty grounds

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17 See Golove, supra note 4, at 1196 (noting that while title of Fairfax's Estate was under attack, Marshall took opportunity to organize collective effort among his close relatives and friends to purchase some of best portions of estate; along with his brother, he negotiated a complex purchase agreement with Fairfax in 1793, and then instituted further litigation to affirm under Fairfax title under Peace Treaty of 1783).

18 See *Ware*, 3 U.S. at 221 (Marshall argued that defendants paid off such debts while state law continued in full force, despite said Peace Treaty).


20 *Fairfax*, 11 U.S. at 603; *See Smith v. Maryland*, 10 U.S. 286, 304 (1810) (holding that Maryland escheat statute passed in 1780 was self-executing, and that Maryland escheats of loyalist properties were not affected by Peace Treaty).

21 See *Fairfax*, 11 U.S. at 627 (because possession and seize continued up to and after Treaty of 1794, which was Supreme Law of Land, confirmed title to him, his heirs and assigns and protected him from any forfeiture by reason of alienage); see also *Morris v. U.S.*, 174 U.S. 196, 229 (1899) (*Fairfax* gives authority that acts of ownership shown to have been exercised by him over whole land, vested in him complete seize and possession); Jeffrey C. Cohen, *The European Preliminary Reference and U.S. Supreme Court Review of State Court Judgments: A Study in Comparative Judicial Federalism*, 44 AM. J. COMP. L. 421, 451 (1996) (Court in *Fairfax* had relied on Treaty of 1783 with Great Britain in reversing judgment of Virginia Supreme Court of Appeals).
unconstitutional. In *Martin v. Hunter's Lessee* the Supreme Court reversed the Virginia judgment, establishing the still-unchallenged legitimacy of federal court appellate jurisdiction over state courts. Thus even as an interested party, John Marshall made a major contribution to the law of the federal-state relationship.

It was, however, in his capacity as Chief Justice that Marshall made his greatest contributions in respect to the supremacy of national law. He did this, moreover, during periods in which the Supreme Court's authority was under attack by one or both of the other branches of the federal government.

It is worthwhile, I think, to distinguish between those pronouncements of what may be called "pure" constitutional law, and those instances in which he merely pronounced the supremacy of a national, but not necessarily immutable rule of law. By "pure" constitutional law, I mean those rules of law that no sovereignty, either state or federal, is free to change. When the Court lays down such a rule, it is exercising the *Marbury v. Madison* power of judicial review in its most extreme form, and such an exercise can legitimately be criticized as undemocratic.

Undemocratic, that is, in the sense that the Court purports to tie the hands of the democratically chosen branches for all time, subject only to the cumbersome process of constitutional amendment.

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22 See *Hunter v. Martin*, 18 Va. 11, 5 (1814) (Fairfax obtained writ of error from Supreme Court under 25th Section of Act of Congress); see also *Ferris v. Coover*, 11 Cal. 175, 184 (1858) (arguing in a dissent that holding in *Hunter* conclusively established that 25th Act of Judiciary was unconstitutional); James S. Liebman and William F. Ryan, "Some Effectual Power: The Quantity and Quality of Decision Making Required of Article III Courts*, 98 COLUM. L. REV. 696, 797 (1998) (noting that on remand, Virginia Court of Appeals refused to obey Supreme Court's mandate, concluding that Article III's "arising under" clause gave Court no authority to determine any issue — including whether, on facts of case, Fairfax retained "title" as of 1783 — that did not itself constitute what we today call "pure" question of federal law).


26 See generally Erwin Chemerinsky, *The Price of Asking the Wrong Question: An
The founding generation had rejected monarchy, and thus had rejected the fiction that those exercising governmental authority derived it from any supernatural source. What legitimated government for them was the periodicity of representative assemblies that derived their authority from the people who elected them from time-to-time. An obvious corollary to this legitimating principle was that one set of governors should not be able to tie the hands of their successors. Thus any "pure" constitutional law was inconsistent with the fundamental premises of the American rejection of monarchy.

At the same time, however, the framers of the 1787 Constitution were well aware of the dangers to individual autonomy interests posed by elected legislative assemblies.


29 See Rebecca L. Brown, Accountability, Liberty, and the Constitution, 98 COLUM. L. REV. 531, 558 (1998) (noting that Framers were aware that representative government could endanger individual rights rather than protect them); Jeremy Elkins, Constitution & Survivor Stories: Declaration of Rights, 3 U. CHI. L. SCH. ROUNDTABLE 243, 309 (1996) (noting that American colonists recognized that even governmental bodies elected by people could neglect certain individual rights and liberties); Raymond Ku, Consensus of the Governed: The Legitimacy of Constitutional Change, 64 FORDHAM L. REV. 535, 555 (1995) (explaining that Founders recognized that representatives of people were "as capable of tyranny and oppression as any monarch"); see also Frank Goodman, Mark
Thus to a limited extent, in Article I, Section 10, they included certain protections of individual autonomy against some of the more egregious excesses of state legislatures that had occurred during the Confederacy under the Articles of Confederation. These, no democratically chosen governors could tinker with.

In the thirty-four years Marshall served as Chief Justice, there were remarkably few instances in which the Court announced pure constitutional law binding the states. Toward the end of his judicial career, in *Barron v. Baltimore*, he confirmed the common understanding that the Bill of Rights, embodied in Amendments I through IX, did not bind the states. Earlier, however, he referred to Article I, Section 10 as "what may be deemed a bill of rights for the people of each state." This was said in *Fletcher v. Peck*, the first of his Supreme Court opinions dealing with the impairment of contracts clause. What is most

*Tushnet on Liberal Constitutional Theory: Mission Impossible, 137 U. PA. L. REV. 2259, 2310 (1989) (discussing disillusionment at many legislative abuses that prevailed at time of Constitutional Convention);* Bruce Stein, *The Framers' Intent and the Early Years of the Republic, 11 HOFSTRA L. REV. 413, 425-26 (1982) (explaining that experience under Confederation had shown Framers that legislative branch was capable of usurping powers delegated to other branches). See U.S. CONST. art. 1, § 10, cl. 1 (providing that no state shall "emit Bills of Credit; make any thing but gold and silver coin a tender in payment of debts; pass any ... ex post facto law, or law impairing the obligation of Contracts. ...."), see also Ogden v. Saunders, 25 U.S. 213, 216 (1827) (explaining that Framers prohibited bills of attainders and ex post facto laws "in order to restrain the State legislatures from oppressing individuals by arbitrary sentences, clothed with the forms of legislation, and from making retrospective laws applicable to criminal matters"); Robert C. Palmer, *The Individual Liberties within the Body of the Constitution: A Symposium: Obligations of Contracts: Intent and Distortion, 37 CASE W. RES. L. REV. 631, 635, 641 (1987) (explaining that legislative history indicates that Art. I, Sec. 10 was intended to act as restriction upon State power).*


significant about this first impairment of contracts case is that Marshall interpreted the clause as applicable not only to contracts made among private parties, but also to contractual undertakings by the state itself. *Fletcher v. Peck* involved a land grant made by one Georgia legislature in 1795 that was revoked by another Georgia legislature in 1796. Because the impairment clause applied to contracts with the state itself, one periodically elected legislature could, and did, bind its successor.36 This was the purest of pure constitutional law, for if the irretrievable state grant was beyond the reach of a subsequent state legislature, it was also beyond the reach of the federal legislature, unless Congress was prepared in compliance with the Fifth Amendment to pay compensation for a taking.

Two years after *Fletcher v. Peck*, Marshall once again dealt with state impairment of a prior legislature's undertaking. In *New Jersey v. Wilson*, the Supreme Court reviewed a New Jersey Supreme Court decision refusing to quash a tax assessment on lands that had in 1758 by a colonial-era statute been made exempt from taxation.38 Since the state action sought a prerogative writ, New Jersey was the nominal plaintiff, but its fiscal interest was represented by the defendant assessor.39 Marshall held the state to the bargain made by its colonial predecessor.40

Marshall next considered the impairment of contracts clause in 1819 in *Dartmouth College v. Woodward*.41 This famous case also involved a contract with a government; in this case a royal

36 *Fletcher*, 10 U.S. at 135 (concluding “one legislature cannot abridge powers of succeeding legislature”).

37 11 U.S. 164 (1812).

38 *See id.* at 167 (reversing and remanding so “that judgment may be rendered therein annulling the assessment” in previous proceedings).


41 17 U.S. 518 (1819).
charter granted in 1779. The State of New Hampshire was, at least in non-federal matters such as foreign affairs, the successor to the Crown. According to Marshall, the state's devolved sovereign powers did not, however, include the power to impair the charter by amendment. Thus even corporations performing such quasi public functions as education were protected from state impairment of their charters. The New Hampshire legislature was bound not only by undertakings made by their legislative predecessors post-1776, but also by undertakings made by a long-displaced monarchy.

The outcomes in Fletcher v. Peck, Dartmouth College v. Woodward and Wilson v. New Jersey were not preordained either by the cryptic language of Article I, Section 10, or by the miniscule record of the Constitutional Convention about the impairment of contracts clause. Plainly, it could have been read as applicable only to state impairments of contracts between non-governmental persons or entities. In the early part of the Nineteenth Century, however, the Great Chief Justice appears to have been determined to protect private persons and organizations from the vagaries of local political action, and thus to vindicate their reasonable reliance interests.

Marshall wrote two more important impairment of contract opinions, dealing not with state undertakings, but with state impairments of private undertakings. These cases, Sturges v. Crownenshiel and Ogden v. Saunders, unlike Fletcher v. Peck, New Jersey v. Wilson and Dartmouth College v. Woodward


44 17 U.S. 122 (1819).

45 25 U.S. 213 (1827).
did not involve “pure” constitutional law. They involved state legislation aimed at permitting debtors overwhelmed by debt to obtain by judicial action a fresh start. Clearly the national legislature could provide for such debtor relief, for Article I, Section 8, Clause 4 authorized Congress to establish “Uniform laws on the subject of Bankruptcies throughout the United States.” It was not until 1898, however, that Congress enacted a permanent bankruptcy law. In *Sturges* Marshall did not rely on the existence of an unexercised national bankruptcy power, but on the Contract Clause that explicitly bound the states alone. Since the state debtor relief law was enacted after the date of the private undertaking, there was an impairment. In *Ogden v. Saunders*, Marshall, in his only dissent on a constitutional law issue, would have applied the *Sturges* rule even to state debtor relief laws in place at the time of the private contract. The majority recognized that the states could, in the

46 See U.S. CONST. art. I, § 8, cl. 4 (“establish[ing] uniform Laws on the subject of Bankruptcies throughout the United States”).

47 "The Bankruptcy Act," referred to in this section is classified generally to http://www.lexis.com/research/buttonTFLink?m=2dd8d4b4a95614686f6a1823c2ef96&xfercite=%ccite%20cc%3d%22USA%22%3e%3c%21%5bCDATA%5b45%20USCS%20%a7%20701%20%5d%5d%3e%3c%2fcite%3e&butType=4&butStat=0&butNum=3&butInline=1&butInfo=11%20USC%20Title%201%20et%20seq., which was repealed by Act Nov. 6, 1978, P.L. 95-598, §§ 401(a), 402(a), 92 Stat. 1682, enacting Title 11; see 11 U.S.C.S. § 1 (2001); see also 9 AM. JUR. 2D, Bankruptcy §2 (explaining history of 1898 Act along with preceding three acts in 1800, 1803, 1841); Charles J. Tabb, *The History of the Bankruptcy Laws in the United States*, 3 AM. BANKR. L.J. 5, 42-51 (1995) (articulating need for Bankruptcy Clause and Constitutional issues raised).

48 17 U.S. 122 (1819) (holding unconstitutional retroactive debtor relief legislation by state of New York because it impaired obligation of contracts between debtors and creditors).


50 See *Sturges*, 17 U.S. at 187 (arguing even if act was constitutional for all contracts made after it passed, it is unconstitutional as to existing contacts, since law impairs contract’s obligations). But see Mitchell v. Clark, 110 U.S. 633, 643 (1884) (holding that Congress may enact legislation which impairs contracts).


52 See *Sturges*, 17 U.S. at 122 (recognizing that when Congress fails to exercise its constitutional power to enact bankruptcy legislation, states may enact their own bankruptcy laws, provided that they do not violate Contract Clause); see also Hanover
absence of Congressional bankruptcy law preempting state law, at least prospectively provide for relief from private-party undertakings.\textsuperscript{53}

\textit{Ogden v. Saunders} is a rare—perhaps a singular—instance of Marshall getting things wrong about the federal-state relationship.\textsuperscript{54} As the bankruptcy clause makes clear, some legislative authority could enact debtor relief laws. Their enactment did not involve an invasion of fundamental human rights. Thus what was involved was which political power, state or federal, could exercise the legislative choice. Congress had not, and until 1898, would not do so except for limited periods.\textsuperscript{55} But if Congress would not, and had not prohibited the states from doing so, why should the Court substitute its political will on an economic issue. Whether or not New York could enact prospective debtor relief laws was essentially a federalistic question, the resolution of which the majority in \textit{Ogden v. Saunders} properly left to the political branches of the national government.\textsuperscript{56} Marshall would have foreclosed those branches for the future by a "pure" constitutional law decision.\textsuperscript{57}

Marshall’s unpersuasive dissent in \textit{Ogden v. Saunders} should be contrasted with two other of his most-famous decisions: \textit{McCollock v. Maryland}\textsuperscript{58} and \textit{Gibbons v. Ogden}.\textsuperscript{59}

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\item Nat'l Bank v. Moyses, 186 U.S. 181, 181 (1902) (recognizing that when Congress fails to exercise its constitutional power to enact bankruptcy legislation, states may enact their own bankruptcy laws, provided that they do not violate Contract Clause).
\item See \textit{Ogden}, 25 U.S. at 247.
\item See \textit{id.} at 346 (Marshall, C.J., dissenting) (arguing that majority's decision seriously undermines individual's contractual rights and protection under Contract Clause); see also \textit{id.} at 213 (holding that Contract Clause only makes retroactive state laws impairing existing contracts unconstitutional, not those aimed at future agreements).
\item See Tabb, supra note 47 at 13-14 (explaining that prior to 1898, States exercised bankruptcy legislation power in all but 16 of Constitution's first 109 years).
\item See \textit{Ogden}, 25 U.S. at 263-64 (basing conclusion on majority's condemnation of \textit{Sturges} decision, and stating that Federal government's legislative power to pass bankruptcy laws is supported by Constitution).
\item See \textit{id.} at 332-58 (examining decision's constitutionality by comparing it to past court decisions, defining restrictions on freedoms to contract, and exploring roots of contract law in our society).
\item 17 U.S. 316 (1819) (tax on Second Bank of United States unconstitutional because states lack power to burden operations of federal instrumentalities).
\item 22 U.S. 1 (1824) (Congress gave full authority to defendants' vessels to navigate waters of United States and New York state law prohibiting navigation within its waters unconstitutional). \textit{But see Olken, supra note 16 at 766} (indicating that Gibbons Court did not only limit state power, but also acknowledged their ability to enact public health and safety laws).
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McCollock involved the decision by Congress to charter the Second Bank of the United States. Central banking is today so settled a feature of the American economy that most of us wonder how anyone could doubt the authority of Congress to create the Federal Reserve Bank in 1913.60 Leaving control of the money supply in the hands of state-controlled institutions was never a sound policy.61 At various times prior to 1913, however, representatives in control of the national legislative process thought it was. They were free to act on that insight, defective as it was, until their successors thought otherwise. But when they acted, Marshall deferred to their judgment and rejected state efforts to thwart the operation of the national central bank by hostile legislation. Marshall never suggested in McCulloch that the nation must have a central bank, but only that if the national political branches said we should, no state authority could interfere.62 The necessary and proper clause in Article I, Section 5, Clause 18 was read as maximizing the authority of those political branches in the resolution of federalistic disputes.

In Gibbons v. Ogden, Marshall dealt not with the power of the national government, but with the power of the states to regulate interstate commerce, despite the grant to Congress in the Constitution of authority to do so.63 Although Mr. Fulton had been granted a federal patent for his invention of the steamboat,
that grant was of limited duration, and the New York Legislature enlarged it. It was argued that because of the existence of the Congressional power to regulate commerce, there was no state power to do so. This was the same argument that was made in *Sturges v. Crownenshield* about the bankruptcy power. In *Sturges* Marshall relied instead on the contract clause. It could have been argued in *Gibbons v. Ogden* that the patent clause in Article I, Section 5, Clause 8 had a similarly self-executing effect, although Gibbons' counsel, Daniel Webster, did not make that point. Justice Marshall was careful, however, to rest the holding on the Licensing and Enrollment Act, a federal statute.66 Thus the Court deferred to the national political branches the ultimate reach of state power over interstate commerce. Others have misread his *Gibbons v. Ogden* opinion as "pure" constitutional law, but read carefully, it is not.

Five years later, in *Wilson v. Black Bird Creek March Co.* what was implicit in *Gibbons v. Ogden* became explicit. Delaware's regulation of interstate commerce on a navigable stream was valid because Congress had not legislated on the subject. The respective spheres of federal and state authority, except to the extent that individual rights were concerned (recall that Marshall regarded Article I, Section 9 as a bill of rights), were matters subject to federal legislative determination from time-to-time.

The Marshall Court's deference to federal legislative or treaty supremacy met with resistance at the state level throughout his

64 *See id.* at 189-91 (if navigation was not part of commerce, States, not Congress would have power to regulate it).
65 *See Sturges v. Crownenshield*, 17 U.S. 122, 192-93 (Congress has power under Constitution to establish uniform bankruptcy laws); *see also id.* at 199 (finding that contract clause restrains States from passing laws affecting obligations of contracts, therefore holding that States cannot pass laws discharging obligations of bankrupt individuals).
66 *See Gibbons*, 22 U.S. at 220-21 (stating that issue in question was resolved based on Licensing and Enrollment Act, and no further examination was necessary).
67 27 U.S. 245 (1829).
68 *See id.* at 251-52 (opining that if Congress had in fact legislated on this subject, Delaware's law would have been unconstitutional).
69 *See generally*, S. Pac. Co. v. Arizona, 325 U.S. 761, 769 (1945) (stating that Congress has power to redistribute power over regulation of commerce from itself to States); California v. Thompson, 313 U.S. 109, 115-16 (1941) (opining that in order for States to regulate interstate transportation, they must not be overstepping laws already passed by Congress); Cooley v. Bd. of Wardens, 53 U.S. 299, 320-21 (1851) (stating that Congress intended to leave regulation of pilots to States).
tenure on the Court.\textsuperscript{70} One clause that was relied on over the years was the Eleventh Amendment, that amended the judiciary article by providing that "the judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States by citizens of another State, or by Citizens or subjects of any Foreign State.\textsuperscript{71} This amendment overruled the holding in Chesholm v. Georgia\textsuperscript{72} that a state could be sued in the United States Supreme Court by a citizen of another state.

Recall my earlier discussion of Virginia's resistance to the Supreme Court's appellate jurisdiction in the Fairfax Devise litigation, and the Supreme Court's reaction in Martin v. Hunter's Lessee.\textsuperscript{73} Interestingly, only one of the state courts opinions in the lengthy Fairfax Devise battle mentions the Eleventh Amendment.\textsuperscript{74} A few years later, however, considering a Virginia criminal conviction, Marshall was faced with a motion by Virginia to dismiss a Section 25 writ of error seeking its review. The defendant, resisting the motion, urged that the Eleventh Amendment only applied when federal question jurisdiction depended on party status, and did not affect federal question jurisdiction. In Cohens v. Virginia Marshall rejected Virginia's Eleventh Amendment argument, observing that the judicial power was extended to all cases arising under the Constitution or laws of the United States without regard to parties.\textsuperscript{75} In Worcester v. Georgia,\textsuperscript{76} a case in which the party alignment was exactly that described in the Eleventh Amendment.


\textsuperscript{71} U.S. CONST. amend. XI.

\textsuperscript{72} 2 U.S. 419 (1793).

\textsuperscript{73} See id. at 461-62 n.20 (addressing State concerns and independent movements over Federal government's jurisdiction in such cases need not be exercised so vigorously as in other proclaimed "free" nations because of Constitution's unique and express mention of "people").

\textsuperscript{74} See Hunter, 18 Va. at 37 (discussing effect of Eleventh Amendment).

\textsuperscript{75} Cohens v. Virginia, 19 U.S. 264, 412 (1821) (judicial power, as granted by Constitution, extends to all cases and controversies arising under federal laws, regardless of parties).

\textsuperscript{76} Worcester v. Georgia, 31 U.S. 515 (1832).
Amendment, the Court again reviewed a federal question on a
Section 25 writ of error to a state court.77

_Cohens v. Virginia_ and _Worcester v. Georgia_ were, of course, 
exercises of appellate jurisdiction. Until 1875 there was no 
general grant of original federal question jurisdiction to the lower 
federal courts. There was, however, a specific grant of such 
jurisdiction in the statute that created the Second Bank of the 
United States.78 Following the Supreme Court’s decision in 
_McCulloch v. Maryland_,79 Ohio determined to put the federal 
bank out of business by authorizing state officers to seize the 
bank’s specie reserves and deposit them in the state treasury.80
The bank sued in the federal circuit court and obtained an 
injunction directing the state treasurer to restore the funds. The 
treasurer refused to obey it. The circuit court then issued a writ 
of sequestration directing federal officers to enter the state 
treasury and remove the seized specie. The federal officers did 
so, and the Ohio officials appealed to the Supreme Court 
contending that the Eleventh Amendment barred the bank’s suit.
Marshall’s _Osborn v. Bank_ opinion is most often cited for his 
broad definition of federal question jurisdiction.81 He, also, 
however, explicitly rejected the contention that in a federal 
question case the Eleventh Amendment prohibited a suit seeking 
the restoration of funds from a state treasury.

In 1829 the Eleventh Amendment defense was asserted in a 
boundary dispute in which the State of New Jersey sued the 
State of New York relying on the Supreme Court’s original 
jurisdiction.82 New York contended that despite the language in

77 _See id._ at 541.
79 _McCulloch v. Maryland_, 17 U.S. 316, 400 (1819) holding unconstitutional 
Maryland’s bank tax law.
80 _See Osborn v. President, Dir. & Co. of Bank_, 22 U.S. 738, 741 (1824).
81 _See id._ at 823 (“when a question to which the judicial power of the Union is 
extended by the constitution, forms an ingredient of the original cause, it is in the power 
of Congress to give the Circuit Courts jurisdiction of that cause, although other questions 
of fact or of law may be involved in it”); _see also_ Vicki C. Jackson, _Federalism and the 
Court: Congress as the Audience?,_ 574 ANNALS 145, 148 (2001) (emphasizing Marshall’s 
treatment of 11th Amendment as merely inconvenience encountered at pleading stage 
and not as substantive limit on federal judicial power over federal law claims). 
_But see_ Nicole Sabado, _Adopting a Jurisdictional Approach to the Rights of Asset 
Purchasers from the FIDC_, 69 FORDHAM L. REV. 287, 298 (2000) (constitutional grant of 
power is broad, it is statutory law, such as federal question and diversity statutes, which dictates 
actual exercise of federal court power to hear case).
Article II, Section 2, granting jurisdiction "to controversies between two or more states," the Court lacked jurisdiction.\(^8\) Even though New York was a formal party on the record, the Court rejected this contention.\(^8\) That holding was repeated eight years later in *Rhode Island v. Massachusetts*.\(^8\)

Thus it is clear that throughout Chief Justice Marshall's tenure, under his leadership the Eleventh Amendment was always confined to its literal terms. It was not applicable to federal question cases, but only to cases in which federal court jurisdiction depended on the party status specified in the amendment.\(^8\) The only case in the Marshall era or even up to the Civil War, that actually applied the Amendment in dismissing a suit is *In re Medrozo*,\(^8\) a case in which a citizen of a foreign state sought, in an original proceeding in the Supreme Court, to recover from a state the proceeds of sale of a group of slaves the state had seized from a ship.\(^8\) The Supreme Court had neither original federal question nor original admiralty jurisdiction. *Medrozo* relied on his alien-party status, and thus the case fell literally within the language of the Amendment.

Marshall never read the Eleventh Amendment as placing any limits on the power of Congress to authorize the federal courts to vindicate federally protected rights against the states. At the same time, he was, except in the contract clause cases, always careful to acknowledge on federalistic issues the primacy of the

\(^8\) See id. at 464.
\(^8\) See id. at 467.
\(^8\) Rhode Island v. Massachusetts, 37 U.S. 657, 720 (1838) (asserting court's judicial power in cases where state is party to action and also establishing subject of boundary within court's original jurisdiction).
\(^8\) Worcester v. Georgia, 31 U.S. 515, 540 (1832) (stating parties to plea must be examined to see if it falls within judiciary's power); Cohens v. Virginia, 19 U.S. 264, 378 (1821) (emphasizing that jurisdiction depends entirely on parties); See McCulloch v. Maryland, 17 U.S. 316, 429 (1819).
\(^8\) 32 U.S. 627, 632 (1833); See John J. Gibbons, *supra* note 6, at 1968 (indicating Madrazzo as only pre-Civil War Supreme Court decision to dismiss suit on Eleventh Amendment grounds); see also Merritt R. Blakeslee, Case Comment, *The Eleventh Amendment and State's Sovereign Immunity from Suit by a Private Citizen: Hans v. Louisiana and Its Progeny after Pennsylvania v. Union Gas Company*, 24 GA. L. REV. 113, 133 (1989) (discussing Madrazzo as only case where sovereign immunity, embodied in Eleventh Amendment, was dispositive). Compare David J. Bederman, *Admiralty and the Eleventh Amendment*, 72 NOTRE DAME L. REV. 935, 936 (1997) ("The Eleventh Amendment...clearly indicated intent to limit jurisdiction of federal courts over suits in which states were named as defendants without their consent.").
federal political branches with respect to their resolution. He may have been a bit too doctrinaire about the contract clause in his Ogden v. Saunders dissent, but even there he in effect aligned himself with the Congress that had not enacted a permanent bankruptcy law.

How far we have strayed from Marshall's wise jurisprudence respecting the federal-state relationship. To cite just a few examples, the great holding in Osborn v. Bank of the United States that federal courts can in federal question cases order payments out of a state treasury was effectively overruled in Edelman v. Jordan. In Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank, the Court held that Congress lacked the power to require the states to comply with the United States patent laws. In a series of cases, including National League of Cities v. Usery, United States v.


90 415 U.S. 651, 663 (1974) (“the rule has evolved that a suit by private parties seeking to impose a liability which must be paid from public funds in the state treasury is barred by the Eleventh Amendment”. (construing Great N. Life Ins. Co. v. Read, 322 U.S. 47 (1944)); see also Christopher Buchholtz, Survey of Developments in North Carolina Law and The Fourth Circuit, 1996: II. Constitutional Law: The King Can Do No Wrong: How the Hatter v. Vermont Court Ignored Confusing Precedent and Simplified the Analysis Required to Determine Eleventh Amendment Immunity, 75 N.C.L. REV. 2281, 2289 (1997) (establishing focus of courts in Eleventh Amendment proceedings should be whether state treasuries would be forced to pay potential judgments); William A. Fletcher, A Historical Interpretation of the Eleventh Amendment: A Narrow Construction of an Affirmative Grant of Jurisdiction Rather than a Prohibition Against Jurisdiction, 35 STAN. L. REV. 1033, 1120 (1983) (identifying award of money judgments against state as traditional core of Eleventh Amendment); Jack W. Pirozzolo, Comment, The States Can Wait: The Immediate Appealability of Orders Denying Eleventh Amendment Immunity, 59 U. CIN. L. REV. 1617, 1640 (1992) (disallowing suits seeking compensation to be paid from state treasury).


92 426 U.S. 833, 841 (1976) (“Congressional enactments which may be fully within
Lopez and Printz v. United States, the Court construed the commerce clause not as authority for the national political branches to determine the respective roles of state and national authority, but rather as authority for the Court to turn such determinations into "pure" constitutional law beyond the reach of our periodically chosen national representatives. As I and others have argued elsewhere, such political-power disputes should be resolved in the political arena, not in the courts. The courts should reserve pure constitutional law for the vindication of individual human rights. Marshall appreciated this point. When he wrote Marbury v. Madison, constitutionalism had an eighteenth-century meaning: a "right order of things" in the affairs of government. Marbury introduced a second meaning: the Constitution as law superior to legislation, and thus judicial review. Marshall recognized that the right order of things in the state-federal relationship would evolve over time, and that such evolution should be left to the interplay of interest politics at the national level rather than constitutionalized in the Marbury v. Madison sense. He was, I suggest, a wiser political

grant of legislative authority contained in the Commerce Clause may nonetheless be invalid because found to offend against [various Constitutional provisions]).

93 514 U.S. 549, 552 (1995) (affirming holding that statute in question was invalid as beyond power of Congress under the Commerce Clause).


95 See Powell v. McCormack, 395 U.S. 486, 518 (1969) (stating "It is well established that the federal courts will not adjudicate political questions."); Baker v. Carr, 369 U.S. 186, 209-210 (1962) (explaining how political questions that arise from relationship between judiciary and coordinate branches of government are nonjusticiable); Nixon v. U.S., 938 F.2d 239, 244 (D.C. Cir. 1991), aff'd, 506 U.S. 224 (1993) (indicating how political questions contributed to courts finding of nonjusticiability); see also Louis Henkin, Is there a "Political Question" Doctrine?, 85 YALE L. J. 597, 597-598 (1976) (noting "That there are 'political questions'... is axiomatic in a system of constitutional government built on separation of powers. The federal courts exercise neither the 'legislative Powers' nor 'The executive Power'.").

philosopher than any we have seen on the Court lately.