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**Barriers to Internal Trade in Farm Products, by George R. Taylor,
Edgar L. Burtis, and Frederick V. Waugh**

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BARRIERS TO INTERNAL TRADE IN FARM PRODUCTS. George R. Taylor, Edgar L. Burtis, and Frederick V. Waugh. A special report to the Secretary of Agriculture by the Bureau of Agricultural Economics, United States Department of Agriculture. March, 1939. Pp. vi, 104.

This monograph, although admittedly not of a legal nature, and primarily concerned with the economic implications of laws which set up trade barriers in agricultural products, should be of immediate interest to those concerned with the legal aspects of the trade barrier problem. The report is a comprehensive analysis of barrier laws and serves to mark out their scope and effect. It suggests the results that may be expected in the future if no action is taken to check restrictions on commerce between the states, and urges the advantages to be gained from cooperative action. Without any attempt at a quantitative estimate, the authors express the belief that economic losses resulting from these laws are substantial.

It must be observed at the outset that the authors have not used "barrier" in the sense in which it has been usually defined but use it to refer to any kind of governmentally created obstacle to trade between the states. However, much of the material treated presents the usual trade barrier problem.

The contents consist of detailed discussions of eight specialized types of trade barrier laws affecting agricultural products, dairy products, margarine, alcoholic beverages, railroad and motor-vehicle regulation, merchant-truckers, grades, standards and labeling, and quarantines. Some use is made of statistics, with tables showing the effectiveness of taxes as barriers to trade in margarine, and charts portraying the range of differences in motor-truck regulations.

It is pointed out that the great mass of the legislation which creates trade barriers is enacted as police regulation in the interest of public health, as in the case of dairy products, or in the interest of public safety and general welfare, as in the case of regulations of motor-vehicles or merchant-truckers. The authors then raise the question whether police regulation, and the free movement of goods in interstate commerce are mutually exclusive. They take the position that they are not. As a solution, the authors suggest either federal regulation of products or instrumentalities moving in interstate commerce, in so far as that may be attained under the commerce power, or cooperative action between the states to secure uniformity. But optimism should not spring from these suggestions. It is open to serious doubt if sufficient federal regulation could be constitutionally imposed to better the situation. And there are a great many practical difficulties in the way of state cooperation as a solution.

The use of taxes as barriers is emphasized in the margarine tax laws by a comparison of state margarine taxes and the revenue obtained thereby. The extent to which the tax device may be extended to other fields is perhaps the major concern of those who seek the prevention of further barrier legislation.

The authors evince great anxiety over the cumulative effect of the many variations in state grading and labelling legislation and in motor vehicle regulation. That this lack of uniformity must have a retarding effect on commerce and that greater uniformity is desirable is admitted. But it seems hardly correct to classify indiscriminately the problem thus presented with the other forms of trade barriers. It is fairly obvious that these regulations were not generally enacted to favor interests within the state or to injure out-of-state competitors. Burdens but not discrimination usually result from the operation of such regulations.

The last section of the report relates to state-financed advertising of farm products. This topic should be considered somewhat aside from the trade barrier problem, for here there is no legally imposed restriction on commerce. However, this type of state action does merit serious consideration, for as brought out in this report, states have resorted to advertising tactics the legality of which might be questioned if they were used by private business. The inculcation of sectionalism through advertising does not seem to be a wise educational policy for any state to sponsor.

The monograph is an important contribution to the literature of trade barriers. Though, perhaps, not immediately apparent, its significance is great to the lawyer engaged in litigation in this field. With the increasing recognition of the necessity of a general factual background for the proper presentation of public law issues of this character the lawyer today must be at least an amateur economist.

C.D.S.