

The common law company and its predecessor in trade, the regulated company, were well known to the American colonials. Many of the Colonies owed their origin to charters granted to adventurers for trading purposes in their districts. These corporations became known in the struggle of the colonials with the Home Government, and through the monopolies, liberties, privileges, immunities and franchises with which they were endowed. There appears to be little doubt that such corporations were not in favour with the colonials. This is supported by the fact that no federal authority for the creation of companies is found in the Articles of Confederation or in the Constitution of the United States.

Moreover, the Colonial assemblies were prohibited from creating corporations which by any implication could carry on business beyond the limits of the respective Colonies. The authority at home, which corresponds to the existing Colonial Office, vetoed all legislation which had any extra-territorial effect, *Foreign Corporations in American Constitutional Law*, pp: 22-23; C. C. Henderson, Harvard University Press, 1918. This policy in a limited degree still prevails, as is evidenced by a resolution passed at the recent session of the Canadian Parliament requesting an amendment to the British North America Act authorizing the extra-territorial effect of Dominion legislation, *Votes and Proceedings of Parliament*, session 1920, p. 443.

Moreover, the colonials were hampered in their progress in company legislation through want of precedents for this purpose in the United Kingdom. The Bubble Act, passed in 1720, was strictly enforced, and for that reason the incorporation of companies was prohibited by law. This Act was not repealed until the year 1825, and for over a century there was no advancement whatever in company legislation or promotion in Great Britain.

The persistence of the effect of colonial fears and the colonial policy of the Home Government is apparent when the legislation and the decisions of the Courts of the States are considered. For many years after the Revolution a company which proposed to carry on business in more than one State procured similar