

Summary

3.1 The Division of Powers

Federalism is a system of government that creates two relatively autonomous levels of government, each possessing authority granted to them by the national constitution. Federal systems like the one in the United States are different from unitary systems, which concentrate authority in the national government, and from confederations, which concentrate authority in subnational governments.

The U.S. Constitution allocates powers to the states and federal government, structures the relationship between these two levels of government, and guides state-to-state relationships. Federal, state, and local governments rely on different sources of revenue to enable them to fulfill their public responsibilities.

3.2 The Evolution of American Federalism

Federalism in the United States has gone through several phases of evolution during which the relationship between the federal and state governments has varied. In the era of dual federalism, both levels of government stayed within their own jurisdictional spheres. During the era of cooperative federalism, the federal government became active in policy areas previously handled by the states. The 1970s ushered in an era of new federalism and attempts to decentralize policy management.

3.3 Intergovernmental Relationships

To accomplish its policy priorities, the federal government often needs to elicit the cooperation of states and local governments, using various strategies. Block and categorical grants provide money to lower government levels to subsidize the cost of implementing policy programs fashioned in part by the federal government. This strategy gives state and local authorities some degree of flexibility and discretion as they coordinate with the federal government. On the other hand, mandate compels state and local governments to abide by federal laws and regulations or face penalties.

3.4 Competitive Federalism Today

Some policy areas have been redefined as a result of changes in the roles that states and the federal government play in them. The constitutional disputes these changes often trigger have had to be sorted out by the Supreme Court. Contemporary federalism has also witnessed interest groups engaging in venue shopping. Aware of the multiple access points to our political system, such groups seek to access the level of government they deem will be most receptive to their policy views.

3.5 Advantages and Disadvantages of Federalism

The benefits of federalism are that it can encourage political participation, give states an incentive to engage in policy innovation, and accommodate diverse viewpoints across the country. The disadvantages are that it can set off a race to the bottom among states, cause cross-state economic and social disparities, and obstruct federal efforts to address national problems.

Key Terms

bill of attainder

a legislative action declaring someone guilty without a trial; prohibited under the Constitution

block grant

a type of grant that comes with less stringent federal administrative conditions and provide recipients more latitude over how to spend grant funds

categorical grant

a federal transfer formulated to limit recipients' discretion in the use of funds and subject them to strict administrative criteria

concurrent powers

shared state and federal powers that range from taxing, borrowing, and making and enforcing laws to establishing court systems

cooperative federalism

a style of federalism in which both levels of government coordinate their actions to solve national problems, leading to the blending of layers as in a marble cake

creeping categorization

a process in which the national government attaches new administrative requirements to block grants or supplants them with new categorical grants

devolution

a process in which powers from the central government in a unitary system are delegated to subnational units

dual federalism

a style of federalism in which the states and national government exercise exclusive authority in distinctly delineated spheres of jurisdiction, creating a layer-cake view of federalism

elastic clause

the last clause of Article I, Section 8, which enables the national government “to make all Laws which shall be necessary and proper for carrying” out all its constitutional responsibilities

ex post facto law

a law that criminalizes an act retroactively; prohibited under the Constitution

federalism

an institutional arrangement that creates two relatively autonomous levels of government, each possessing the capacity to act directly on the people with authority granted by the national constitution

full faith and credit clause

found in Article IV, Section 1, of the Constitution, this clause requires states to accept court decisions, public acts, and contracts of other states; also referred to as the comity provision

general revenue sharing

a type of federal grant that places minimal restrictions on how state and local governments spend the money

immigration federalism

the gradual movement of states into the immigration policy domain traditionally handled by the federal government

new federalism

a style of federalism premised on the idea that the decentralization of policies enhances administrative efficiency, reduces overall public spending, and improves outcomes

nullification

a doctrine promoted by John Calhoun of South Carolina in the 1830s, asserting that if a state deems a federal law unconstitutional, it can nullify it within its borders

privileges and immunities clause

found in Article IV, Section 2, of the Constitution, this clause prohibits states from discriminating against out-of-staters by denying such guarantees as access to courts, legal protection, and property and travel rights

race-to-the-bottom

a dynamic in which states compete to attract business by lowering taxes and regulations, often to workers’ detriment

unfunded mandates

federal laws and regulations that impose obligations on state and local governments without fully compensating them for the costs of implementation

unitary system

a centralized system of government in which the subnational government is dependent on the central government, where substantial authority is concentrated

venue shopping

a strategy in which interest groups select the level and branch of government they calculate will be most receptive to their policy goals

writ of habeas corpus

a petition that enables someone in custody to petition a judge to determine whether that person's detention is legal