

CHAPTER 3

Federalism



CHAPTER OUTLINE

- I. Politics in Action: Aiding Disaster Victims (pp. 71–72)
 - A. The government response to Hurricane Katrina illustrates the importance of understanding American federalism.
 - B. The relationships between local, state, and national governments often confuse Americans.

- II. Defining Federalism (pp. 72–75)
 - A. What Is Federalism?
 5. **Federalism** is a way of organizing a nation so that two or more levels of government have formal authority over the same area and people.
 6. **Unitary governments** place all power in the central government.
 7. Confederations place all or most power in the hands of the components while the national government is weak.
 8. **Intergovernmental relations** refers to the entire set of interactions among national, state, and local governments.
 - B. Why Is Federalism So Important?
 1. Federalism decentralizes politics in America.
 2. Federalism decentralizes policies in America.

- III. The Constitutional Basis of Federalism (pp. 75–81)
 - A. The Division of Power
 1. The **supremacy clause** establishes the Constitution, laws of the national government, and treaties as the supreme law of the land.
 2. The **Tenth Amendment** states that "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."
 - B. Establishing National Supremacy
 1. Implied Powers: *McCulloch v. Maryland* established the principle of **implied powers**, powers that go beyond the **enumerated powers** of the Constitution, on the basis of the **elastic clause**.
 2. Commerce Power: *Gibbons v. Ogden* defined commerce very broadly.
 3. The Civil War
 4. The Struggle for Racial Equality
 - C. States' Obligations to Each Other
 1. **Full Faith and Credit**
 2. **Extradition**
 3. **Privileges and Immunities**

- IV. Intergovernmental Relations Today (pp. 82–90)
 - A. From Dual to Cooperative Federalism
 - 1. In **dual federalism** the states and the national government each remain supreme within their own spheres.
 - 2. In **cooperative federalism** powers and policy assignments are shared between states and the national government.
 - a. Shared costs
 - b. Federal guidelines
 - c. Shared administration
 - B. Devolution?
 - 1. During the mid 1990s, Republicans favored **devolution**, the transfer of policy responsibilities to state and local governments.
 - 2. Today Republicans have adopted a pragmatic approach to federalism.
 - C. **Fiscal Federalism** is the pattern of spending, taxing, and providing grants in the federal system.
 - 1. The Grant System: Distributing the Federal Pie
 - a. **Categorical grants** are the main source of federal aid to state and local governments.
 - (1) **Project grants** are awarded on the basis of competitive applications.
 - (2) **Formula grants** are distributed according to a formula.
 - b. **Block grants** are given more or less automatically to states or communities that have discretion in deciding how to spend the money.
 - 2. The Scramble for Federal Dollars
 - 3. The Mandate Blues
- V. Understanding Federalism (pp. 90–95)
 - A. Federalism and Democracy
 - 1. Advantages for Democracy
 - 2. Disadvantages for Democracy
 - B. Federalism and the Scope of the National Government
- III. Summary (p. 96)

LEARNING OBJECTIVES

After studying Chapter 3, you should be able to:

1. Define federalism and explain why it is important to American government and politics.
2. Describe how the Constitution divides power between the national and state governments and understand why the supremacy of the national government is the central principle of American federalism.

3. Explain the nature of the states' obligations to each other.
4. Explain how federalism in the United States has shifted from dual federalism to cooperative federalism.
5. Describe the nature of fiscal federalism and how states and cities compete for federal grants and aid.
6. Explain the relationship between federalism and democracy, and how federalism contributes to and detracts from democracy.
7. Understand how federalism has contributed to the scope of the national government.

The following exercises will help you meet these objectives:

Objective 1: Define federalism and explain why it is important to American government and politics.

1. Define the three ways of organizing a nation that were discussed in the text.
 - 1.
 - 2.
 - 3.
2. In what ways does federalism decentralize politics and policies?

Objective 2: Describe how the Constitution divides power between the national and state governments and understand why the supremacy of the national government is the central principle of American federalism.

1. List the three items that are considered the supreme law of the land.
 - 1.
 - 2.
 - 3.

2. What is the significance of the Tenth Amendment?

3. List the four key events that have largely settled the issue of how national and state powers are related.
 - 1.
 - 2.
 - 3.
 - 4.

4. Explain the difference between enumerated powers and implied powers.

Objective 3: Explain the nature of the states' obligations to each other.

1. Describe the three general obligations that each state has to every other state under the Constitution.
 - 1.
 - 2.
 - 3.

Objective 4: Explain how federalism in the United States has shifted from dual federalism to cooperative federalism.

1. How is dual federalism analogous to a layer cake and cooperative federalism analogous to a marble cake?

2. Explain the three general standard operating procedures of cooperative federalism.

- 1.
 - 2.
 - 3.
3. Explain how the Republican Party's view of federalism changed in the 1990s.

Objective 5: Describe the nature of fiscal federalism and how states and cities compete for federal grants and aid.

1. What do the terms "cross-over sanctions" and "cross-cutting requirements" mean?

Cross-over Sanctions:

Cross-cutting Requirements:

2. Explain the two types of categorical grants.
 - 1.
 - 2.
3. For what reasons might a state or locality not want to receive federal aid?

Objective 6: Explain the relationship between federalism and democracy, and how federalism contributes to and detracts from democracy.

1. List four advantages of federalism for democracy.
 - 1.

2.

3.

4.

2. List four disadvantages of federalism for democracy.

1.

2.

3.

4.

Objective 7: Understand how federalism has contributed to the scope of the national government.

1. How did industrialization increase the role of the national government?

2. Why don't the states handle more issues?

KEY TERMS

Identify and describe:

federalism

unitary governments

intergovernmental relations

supremacy clause

Tenth Amendment

McCulloch v. Maryland

enumerated powers

implied powers

elastic clause

Gibbons v. Ogden

full faith and credit

extradition

privileges and immunities

dual federalism

cooperative federalism

devolution

fiscal federalism

categorical grants

project grants

formula grants

block grants

Compare and contrast:

federalism and unitary government

intergovernmental relations and fiscal federalism

supremacy clause and Tenth Amendment

enumerated powers and implied powers

McCulloch v. Maryland and Gibbons v. Ogden

full faith and credit, extradition, and privileges and immunities

dual federalism and cooperative federalism

categorical grants and block grants

project grants and formula grants

Name that term:

1. In this type of system, the national government can redraw the boundaries of local governments or change their form.

2. The supremacy of the national government over the states was established by this court case.

3. Examples of this include the power of Congress to coin money, regulate its value, and impose taxes.

4. In this case, the Supreme Court broadly defined commerce to include virtually every form of commercial activity.

5. When a state returns a person charged with a crime in another state to that state for trial or imprisonment, they are practicing this constitutional requirement.

6. This type of federalism has been likened to a "marble cake."

7. This was at the center of the Republican revolution of the mid-1990s to transfer more responsibility for policies from the national government to the state and local governments.

8. These grants are awarded on the basis of competitive applications.

9. This was a response to state and local governmental unhappiness with cumbersome and tedious categorical grants.

USING YOUR UNDERSTANDING

1. Try to identify all of the governments that have authority and policymaking responsibilities in your area, from the federal and state governments to the various types of local government. At the same time, identify the types of public policies for which they are responsible. Briefly discuss your impressions of the federal system from your own vantage point. Indicate whether or not you found what you expected, based on your understanding of the American federal system.
2. Contact your local Chamber of Commerce and find out what strategies your community is pursuing in order to compete with other communities, including its efforts to win federal aid. You may even be able to find some brochures that "sell" your community to prospective residents and industries. Describe what you found in terms of how well you think your community is doing in the economic growth game. Try devising some marketing strategies for your community based on its location and other advantages.

MULTIPLE CHOICE QUESTIONS

Circle the correct answer:

1. A unitary system is a way of organizing government so that
 - a. all power resides in a central government.
 - b. both national and state levels of government have authority over the same land and people.
 - c. all power resides in state and local governments.
 - d. national and state governments have separate powers over different areas and people.
 - e. the president is the central power of the government.
2. The United States began as a(n)
 - a. confederation.
 - b. federalist nation.
 - c. series of unitary governments.
 - d. strong national government, which weakened over time.
 - e. series of weakened states that slowly gained strength.
3. From clean-air legislation to welfare reforms, the states constitute a _____ to develop and test public policies and share the results with other states and the national government.
 - a. major roadblock
 - b. national laboratory
 - c. neglected resource
 - d. last chance
 - e. severe reluctance

4. Which of these is not a power attributed to the states according to the Constitution?
 - a. Coin money
 - b. Establish local governments
 - c. Conduct elections
 - d. Ratify amendments to the Constitution
 - e. Create taxes

5. The supremacy clause of the Constitution states that all of the following are the supreme law of the land, EXCEPT
 - a. laws of the national government (when consistent with the Constitution).
 - b. the United States Constitution.
 - c. state constitutions.
 - d. treaties of the national government (when consistent with the Constitution).
 - e. Both c and d

6. The primary thrust of the original intent and wording of the Tenth Amendment is that
 - a. state legislatures have the ultimate authority to determine what a state government's powers are.
 - b. states have certain powers that the national government cannot encroach upon.
 - c. the national government can take control of a state government during a national emergency.
 - d. national laws override state laws when there is a conflict between the two.
 - e. both the states and national government are bound by the limitations in the Bill of Rights.

7. Which amendment prohibits individual damage suits against state officials?
 - a. Ninth
 - b. Tenth
 - c. Eleventh
 - d. Twelfth
 - e. Thirteenth

8. The principle that the national government has certain implied powers that go beyond its enumerated powers was first elaborated in the Supreme Court's decision in
 - a. *United States v. the States*.
 - b. *Gibbons v. Ogden*.
 - c. *Miranda v. Arizona*.
 - d. *McCulloch v. Maryland*.
 - e. *Marbury v. Madison*.

9. Which of the following federal policies exemplifies the implied powers of Congress?
 - a. Environmental protection law
 - b. Income tax
 - c. The regulation of interstate commerce
 - d. The provision of an army and a navy
 - e. All of the above

10. The Supreme Court case of *Gibbons v. Ogden*
 - a. defined the meaning of the elastic clause.
 - b. settled the contested presidential election of 1824.
 - c. defined commerce as virtually every form of commercial activity.
 - d. established the principle of implied powers.
 - e. established the supremacy of the national government.

11. A tuition difference between in-state and out-of-state students is an example of
 - a. dual federalism.
 - b. federal exceptions to the full faith and credit provision.
 - c. the extension of full faith and credit to all students from all states.
 - d. an example of an exception to the privileges and immunities clause.
 - e. project grants to the states.

12. The constitutional requirement that the states return a person charged with a crime in another state to that state for trial or imprisonment is known as
 - a. forfeiture.
 - b. extradition.
 - c. privileges and immunities.
 - d. full faith and credit.
 - e. the elastic clause.

13. In _____ federalism, the powers and policy assignments of different levels of government are like a marble cake, with mingled responsibilities and blurred distinctions between layers of government.
 - a. fiscal
 - b. mixed
 - c. dual
 - d. cooperative
 - e. tripartite

14. An example of a direct order from the federal government to the states is the
 - a. Equal Employment Opportunity Act of 1982.
 - b. Equal Rights Amendment.
 - c. Americans with Disabilities Act.
 - d. No Child Left Behind Act.
 - e. Brady Act.

15. If a university violates Title VI of the 1964 Civil Right Act, which bars discrimination in the use of federal funds on account of race, national origin, gender, or physical disability, by discriminating in athletics, it risks losing its federal funding in all of its programs. This is an example of
 - a. crossover sanctions.
 - b. crosscutting requirement.
 - c. devolution.
 - d. cooperative federalism.
 - e. intergovernmental relations.

16. Programs such as Medicaid and Aid for Families with Dependent Children, where applicants automatically qualify for aid if they meet the requirements, are examples of
- dual federalism.
 - project grants.
 - formula grants.
 - block grants.
 - welfare.
17. A broad program for community development would most likely be supported through a(n)
- formula grant.
 - enterprise zone.
 - project grant.
 - categorical grant.
 - block grant.
18. What are mandates?
- Requirements that direct states or local governments to comply with federal rules under threat of penalties or as a condition of receipt of a federal grant
 - A grant awarded on the basis of competitive applications
 - The use of federal dollars in one program to influence state and local policy in another program
 - When a condition on one federal grant is extended to all activities supported by federal funds, regardless of the source
 - A general rule of federalism involving the principle that there will be “something for everyone”
19. Which of the following is NOT a standard operating procedure of cooperative federalism today?
- Distinctly separated powers of state and national governments
 - Federal grants-in-aid
 - Shared administration of programs
 - Shared financing of government
 - Federal guidelines imposed on states
20. Which of the following is true of the politics of federalism during the twentieth century?
- In general, Democrats supported increasing the power of the federal government, while Republicans favored increasing state responsibilities.
 - In general, Republicans supported increasing the power of the federal government, while Democrats favored increasing states responsibilities.
 - In general, both Republicans and Democrats favored increasing the power of the national government and weakening the power of the state governments.
 - In general, both Republicans and Democrats favored increasing the power of the state governments and weakening the power of the national government.
 - In general, the presidency favored a strong national government, while Congress favored stronger state governments.

TRUE/FALSE QUESTIONS

1. The federal government immediately took responsibility for its anemic response to Hurricane Katrina. T / F
2. The United Nations is an example of a confederation. T / F
3. The word federalism is absent from the Constitution. T / F
4. The Tenth Amendment is sometimes called the supremacy clause, because it reinforces the power of the national government over the state governments. T / F
5. The powers to tax and borrow money, to establish courts, and to make and enforce laws are powers given by the Constitution to both the national and state governments. T / F
6. *U.S. v. Lopez* signaled a shift in federalism, in that the Supreme Court limited Congress's use of the commerce power. T / F
7. Dual federalism refers to a situation in which the national government and state governments remain supreme within their own spheres. T / F
8. Project grants are awarded and distributed according to a formula. T / F
9. Only school districts in the poorest communities receive federal assistance. T / F
10. Over the course of the twentieth century, intergovernmental relations increasingly leaned toward greater national power. T / F

SHORT ANSWER/SHORT ESSAY

1. Define the term federalism and compare and contrast it with unitary and confederation governments. Give examples of each.
2. Describe authority relations across the three systems of government—unitary, confederate, and federal.
3. Explain what happened in the Supreme Court case, *Gibbons v. Ogden*? What is the importance of this case to the distribution of powers between the states and the national government?
4. How does the Defense of Marriage Act challenge contemporary understandings of full faith and credit?
5. What is a categorical grant, and how is it different from a block grant?

ESSAY QUESTIONS

1. How does the failed government response to Hurricane Katrina—at federal, state, and local levels—reflect the politics of federalism? What kinds of changes are necessary to prevent similar failures in the future? What constraints does the Constitution set on possible solutions to failed coordination across multiple levels of government?
2. How has federalism evolved or changed since the writing of the Constitution, particularly in terms of the establishment of national supremacy? What are the causes and consequences of these changes?
3. What is the proper boundary of Congress's commerce power? How has the Court interpreted the Commerce Clause in the past? What do recent cases such as *U.S. v. Lopez* (1995) and *U.S. v. Morrison* (2000) suggest about the direction of a new politics of federalism?
4. Given the growth of the scope and power of the national government, are state governments still necessary in the American political process?
5. Does federalism create a more democratic political system? Why or why not, and how?