What are a few important things citizens should know about <u>The Nature of Federalism</u>?
Think about purpose, structure, and debates or controversies; help us understand why we should care about this topic!

History

- Begins with arguments in the *Federalist Papers*
    - Hamiltonian v. Jeffersonian model: How much power should the federal government have?
- Formed around question of national defense
- Added federal/state/local layers of responsibility
- Federal government should have a limited rule — unique to US
- First structure of its kind
    - Constitution acknowledges agreement to the people and adherence to public will
    - Governments acknowledge need for public service

Relevance (Fiscal Relationships)

- Federalism gives rise to intergovernmental relationships
- Fiscal federalism suggests different levels of government are best suited to deliver different services
- Federal government has grown powerful due to its capacity for funding
- Funding affects everyday lives
    - Intergovernmental grants: block, categorical, broad-based funding
        - *I.e. Obamacare giving state funding; states could decide whether or not to accept it*
    - Funding from federal government, through state government, through county governments, go directly to fund public services and programs
- Advantages: states can decide own public policy, apart from federal government
- Disadvantage: messy conflicts between state-federal government
- Tensions captured in *Federalist Papers* continue today: state v. federal; decentralized v. centralized; rural v. urban; executive v. legislative; reliance on elites v. masses; etc.