Federalism:

Federalism is the idea that power is shared between a strong national government and the fifty states. This separation of powers applies to all levels of government. Initially, the federal government possessed very limited powers over citizens. However, two major court cases early in our nation's history changed that situation dramatically.

McCulloch v. Maryland (1819) - The U.S. Supreme Court said that the powers of the federal government are not limited solely to those powers expressly stated in the Constitution. The government, in other words, could exercise a broader range of powers over the states.

Gibbons v. Ogden (1824) - This case involved two competing steamboat firms. The U.S. Supreme Court decided that the federal government could regulate commerce involving products, people, and services. This decision gave the federal government authority to regulate businesses, industries, and commerce between states.

It can be somewhat challenging to identify which powers belong to the federal government and which powers are set aside for the states. An easy way to grasp the distinctions is by placing these powers into categories:

Category 1: DELEGATED POWERS

Defined: Powers/authority set aside for use by the federal government and its three branches **Examples:** Printing currency; declaring war; weights and measures; treaties; taxation

Category 2: CONCURRENT POWERS

Defined: Powers shared by the federal government and the states

Examples: Regulating banks; establishing the criminal justice system; operating schools

Category 3: RESERVED POWERS

Defined: Powers left to the states by the federal government

Examples: Compulsory education; utilities; regulating tobacco and alcohol

Category 4: IMPLIED (INHERENT) POWERS

Defined: Powers that are logically derived from delegated powers

Examples: Creating national banks; administering federal lands; space travel

Category 5: PROHIBITED (RESTRICTED) POWERS

Defined: Powers that neither the federal government nor the states can use **Examples:** Bill of attainder; ex post facto laws; suspending writ of habeas corpus

