Federalism and Public Policy

Power Distribution in American Governance POSC 315: Introduction to Public Policy Lecture 3.2

Summer 2025

California State University, Fullerton

What is Federalism?

Federalism Defined

Definition

Federalism: The division of power between a central government and regional governments

The distribution of power and authority on a geographical basis.

Core Features

 A system of checks and balances between the national and state governments

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- The founders believed that federalism would protect liberty
- Protects against factions: groups of citizens who have a common interest in some proposal that would either violate the rights of other citizens or harm the nation

The Founders' View

Governance Benefits

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Democratic Benefits

Governance Benefits

- Prevents faction dominance
- State policy experimentation
- Government closer to people

The Founders' View

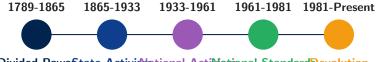
Governance Benefits

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Democratic Benefits

- Increases political participation
- More effective government
- More access points to government
- Increases policy innovation

Eras of Federalism



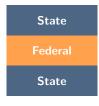
Divided PoweState ActivisMational ActiMational Standard Devolution

Models of Federalism

(from the Literature)

Five Models of Federalism





"Layer Cake" Federalism Clear division of authority

State Federal State

"Layer Cake" Federalism

- Clear division of authority
- National government is supreme in its sphere



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- Little overlap between the two spheres

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"Picket Fence" Federalism

Great Society programs



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- National government sets policy goals



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"Pineapple Upside-Down" Cake" Federalism Competitive Federalism



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"Cupcake Federalism"



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Federalism in Practice

Policy Implementation in a Federal System

Policy Laboratories

Policy Laboratories

"It is one of the happy incidents of the federal system that a single courageous State may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country."

— Justice Louis Brandeis (1932)

State Policy Innovation



State Laboratories
States experiment with
different policy
approaches



Policy Diffusion Successful policies spread across states



Comparative Analysis
Which approaches
work best?

Federal-State Coordination

Federal Tools

Federal-State Coordination

Federal Tools

- Categorical grants
- Block grants
- Mandates
- Regulatory frameworks

State Implementation

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State Implementation

- · Administrative adaptation
- Supplemental funding
- Waiver requests
- Local distribution

Understanding Federalism

Is Key to Understanding American Policy Design and Implementation