Federalism Essay, Research Paper

Federalism, the balanced division of state and federal powers, is an essential principle of the United States Government. On occasion this balance is contested or violated and court cases ensue. These court cases over time have shaped and defined federalism and the powers, rights, and position of state and national governments. The court case of McCulloch vs. Maryland of 1819 set the precident of the Supreme Court being called upon as a mediator in desputes between national and state law. The Second Bank of the United States which was chartered by Congress was being stingey with their loans contributing to money flow problems. To react to the economicly deletrious actions of the Bank the states began passing legislation to inhibit, tax, or to prohibit the Banking operation. For instance, Maryland placed a sizeable tax on The Second Bank. Without, paying this tax now required of the bank to operate, James McCulloch, the bank’s cashier, issued bank notes. McCulloch vs. Maryland brought up two constitutional issues whether the nessesary and proper clause gives to Congress allow them to charter a bank and whether a state has the power to tax a corporation established by the nessesary and proper clause. The Supreme Court ruled that one, the states were not allowed to restrict a federal made institution this is called the Supremacy Clause that all federal treaties and laws have precidence over those of state and local governments and two, the Supreme Court ruled that because of the nessesary and proper clause and implied powers, powers nessesary to carry out specified granted powers, that Congress was allowed to charter a bank.

The next case is that of Gibbons vs. Ogden in which a certain Mr. Ogden was given license to operate a ferry service from New York to New Jersey by Robert Fulton, the inventor of the steamboat who was given a 20 year monopoly by the New York State Legislature. Then Gibbons received license from the federal government to start a coastal trade, which since included New Jersey and New York Ogden claimed infringed in his monopoly. After New York ruled in favor of their man Ogden, Gibbons appealed to the Supreme Court. Gibbons vs. Ogden brought up three constitutional issues, one, is navigation to be understood as a part of commerce, two, if it was a part, to what extent may Congress regulate it, and finally is Congress the only group that has the right to regulate interstate commerce. The Supreme Court ruled in Gibbons favor. The Chief Justice had decided this, that navigation is a part of commerce because “The mind can scarcely concieve a system for regulating commerce between nations which shall exclude navigation”. Also, that Congress has the ability to regulate state to state trade, but if commerce was interastate they had no jurisdiction and that since Congress was given full reglatory power over it, it naturally excludes others. These two landmark court cases show the Supreme Court’s firm nationalist veiwpoint and strong support of the Supremacy Clause. The cases also show how the Supreme Court puts emence effort and thought into each verdict in how it may effect federalism’s tittering balance of power between state and federal government.