

GS-II Powers, functions and responsibilities of various Constitutional Bodies.

- 1. Changing the Seventh Schedule for Deciding Expenditure Priorities of the Union Government wouldn't be a Prudent Idea and certainly encroaches on the state's autonomy. Critically Analyse.**

Why this Question?

- With the period of the Fourteenth Finance Commission (FFC) coming to an end, debates around India's federal fiscal architecture are gathering momentum.

Key Demands of question:

- Issues pertaining to the ToR of the 15th Finance Commission
- Explain how changing seventh schedule encroaches on the state's autonomy.
- How to bring fiscal federalism more effective?

Directive word:

Critically Analyse:

- When asked to analyse, you have to examine methodically the structure or nature of the topic by separating it into component parts and present them as a whole in a summary. When 'critically' is suffixed or prefixed to a directive, one needs to look at the good and bad of the topic and give a fair judgement.
- Whenever it is asking Critically Examine, Critically Comment or Critically Analyse just remember that you have to write both pros and cons and give a fair, unbiased or value loaded judgement. It should always give a closure feeling while examiner reading the answer.

Structure of Answer:

Introduction:

- Explain the recent debates surrounding the 15th FC Terms of Reference and the role of the FC in Fiscal Federalism.

Body:

- Explain in detail about the issues surrounding 15th FC.
- Write about the recommendations made by the Union government.
- Explain the union government and state government role on spending in the seventh schedule.
- Write recent debates about the Centrally Sponsored Schemes and Central Sector schemes
- Mention facts and figures wherever necessary. E.g. constitutional provision (articles regarding FC, Seventh Schedule, etc.)

Conclusion:

- Conclude with a fair and balanced view of the issue and some way forward measures to overcome the challenges pertaining to the fiscal federalism.

