

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 analyze, 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:

- ▶▶ Write why there is are 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 role of union government and state government on spending in the seventh schedule.
- ▶▶ Write recent debates about the Centrally Sponsored Schemes and Central Sector schemes

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- ▶▶ 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.

