

**1. Do you think federalism resonates well with the idea of a welfare state?  
Critically comment.**

**Approach-**

Candidates need to write about the federalism in introduction. Then explain with examples how federal structure creates roadblocks for welfare policies also as question demands to critically comment candidates have to present counter arguments how federalism with local government helps to implement welfare ideas.

**Introduction-**

Federalism is a system of government in which powers have been divided between the centre and its constituent parts such as states or provinces. It is an institutional mechanism to accommodate two sets of politics, one at the centre or national level and second at the regional or provincial level.

**Body**

Federal structure restricts the welfare policies & there implementation various sectors like:

- Health Sector: Central government's initiative of Ayushman Bharat to provide Universal health coverage is also hindered by some states refusing to join the centrally sponsored scheme
- New Education Policy: Central government wants Uniform standards of education across the country so as to ensure accessibility and equity in access to education across the country.
- Agricultural marketing Sector: Lack of unified agricultural market along with state's reluctance to adopt Model APMC Act and their lack of enthusiasm to join e-NAM platform has restricted Centre's capabilities to objective of doubling farmer's income by 2022.
- Pandemic policy: There has been accusations and counter accusations by states and Centre in the efficacy of national lockdown, who should be accountable for the second wave of covid, deficiencies I oxygen and hospital infrastructure in overall it impacts welfare of people.

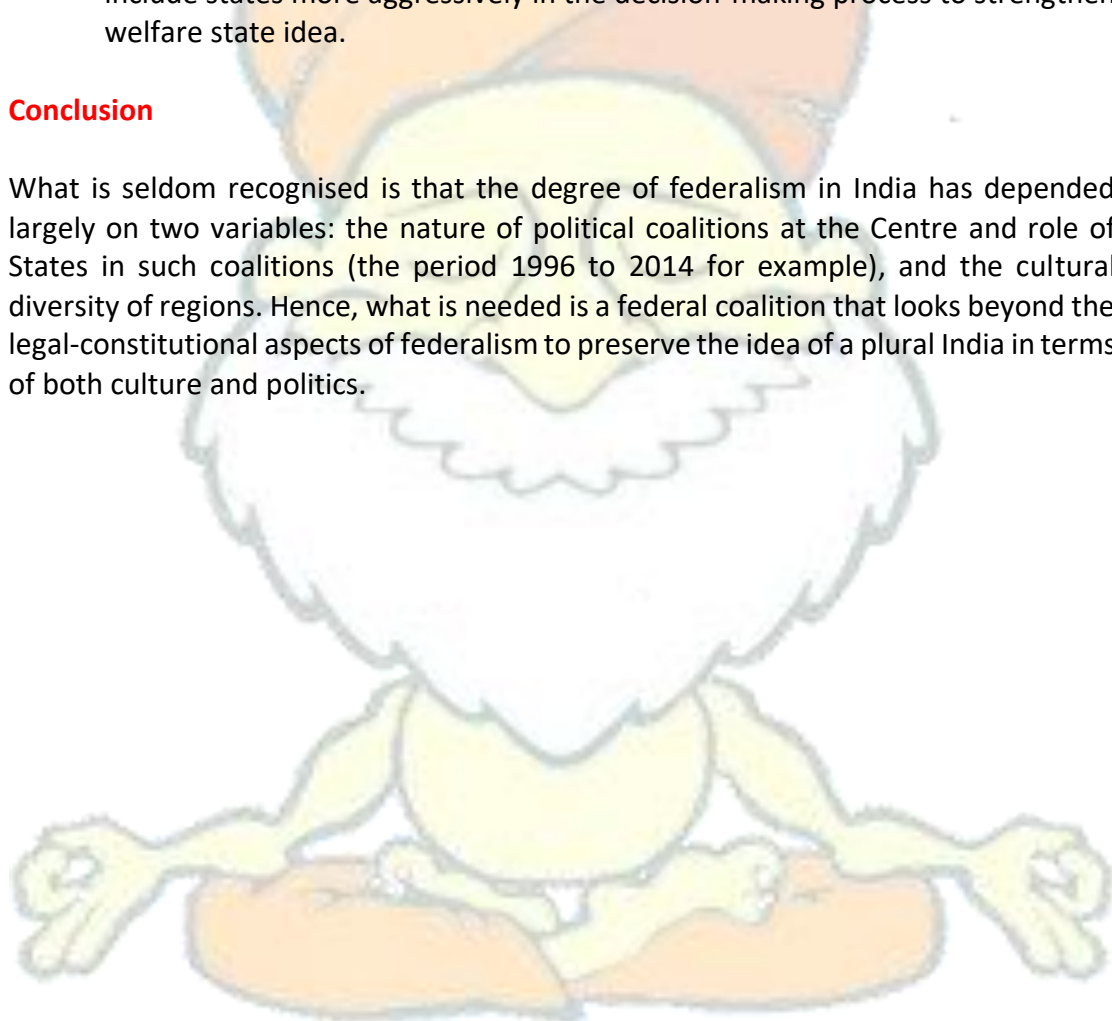
Federalism resonating with idea of welfare state:

- The federalism phase also witnessed further decentralisation of Indian politics as the 73<sup>rd</sup> and 74<sup>th</sup> Amendments. This strengthened the ground for the Welfarism and empowerment the people at the grassroots.
- After initial challenges, the Union government ceded adequate space and autonomy to the states for strengthening their healthcare facilities, managing the localised lockdowns, and implementing social security measures to mitigate the impact of the pandemic.

- The core objectives of Indian federalism are unity in diversity, devolution in authority, and decentralization in administration. Through federalism, the State pursues the goal of common welfare in the midst of wide diversity in socio-cultural, economic spheres.
- In Cooperative federalism the Centre and states share a horizontal relationship, where they “cooperate” in the larger public interest. It is an important tool to enable states’ participation in the formulation and implementation of welfare policies. For example Centrally Sponsored Schemes (CSS) MGNREGA, NFSA, National Health Rural Mission.
- While all policy-makers and economists believe that “true” cooperative federalism is the way forward, they underline the need for the Centre to include states more aggressively in the decision-making process to strengthen welfare state idea.

### Conclusion

What is seldom recognised is that the degree of federalism in India has depended largely on two variables: the nature of political coalitions at the Centre and role of States in such coalitions (the period 1996 to 2014 for example), and the cultural diversity of regions. Hence, what is needed is a federal coalition that looks beyond the legal-constitutional aspects of federalism to preserve the idea of a plural India in terms of both culture and politics.



**2. How is a state budget different from the national budget? Explain with the help of suitable examples.****Approach**

Students are expected to write about the difference between state budget and union budget. Also try to give examples and explain it.

**Introduction**

Budget is the government's blueprint on expenditure, taxes it plans to levy, and other transactions which affect the economy and lives of citizens. Meanwhile Understanding of state government finances is becoming more and more important.

**Body**

Difference between state and central budget:

- The receipt of the state budget is different from the Union budget. This budget consists of tax and non-tax revenues collected by the state, which is then shared with the share of central taxes. For example Sale of lotteries.
- Under Article 202 of the Constitution of India, a statement of the estimated receipts and expenditure of the State for each financial year has to be laid before the State Legislature. This Statement is known as the "Annual Financial Statement" (AFS) or "Budget".
- It should be noted here that States have some degree of autonomy with regard to their budgets. So, there can be differences across States in many aspects.
- For example States opt for their own presentation formats as per practice and convenience. Also, sources of revenues may vary from State to State and similar variations can be seen in expenditure profiles.
- Similar to Union Government, State governments are also required by constitution to present a few essential documents for budget process.
- State Governments also present a number of other documents which helps explaining the budget, as well as can be used to highlight specific details of the budget. For example Gender Budget Statement, Child Budget Statement, Outcome/Performance Budget Statement, Statement on Allocation for Welfare of Scheduled Castes and tribes.
- Article 203 of the Constitution mandates that the estimates of expenditure from the Consolidated Fund of the State are voted by the Legislature.
- A word transcript of the speech that the finance minister makes while presenting the budget in the State legislature or Vidhan Sabha.
- The information required to be presented and voted by the Parliament and the State Legislatures remains the same.
- The severe strain on state finances over the past year seems to have led state governments to be much more cautious than the centre in budgeting additional spending.

- In contrast to the expansionary stance of the Union government, state governments seem to have taken a more conservative approach in planning their budgets.
- Together the states are more important than the Centre in increasing India's GDP. But RBI finds states cutting down expenditure and getting more indebted in its report which will hurt India's growth and job creation.

### Conclusion

The trouble is states have found it difficult to raise revenues. They are confronted with low tax buoyancies, shrinking revenue autonomy under the GST framework and unpredictability associated with transfers of IGST and grants. Unrealistic revenue forecasts in budget estimates thereby leave no option for states than expenditure compression in even the most productive and employment-generating heads.





**Q3. The construction sector can be an excellent driver to rebuild the economy and create jobs. Substantiate.**

**Approach-**

Candidates need to write about how the construction sector can be an excellent driver to rebuild the economy and he has to provide facts to prove or support it.

**Introduction:**

During the same period, however, the construction industry has continued operating as it has for the past 50 years, with a heavy reliance on manual labour, mechanical technology and established operating and business models. Productivity has stagnated as a result. But scenario is changing over the past decade as the digital technologies have been transforming whole industries, ushering in the Fourth Industrial Revolution.

**Body:**

**The construction sector can be an excellent driver to rebuild the economy and create jobs: How**

With the digital technologies gradually entering the construction industry, there is a change in how infrastructure, real estate and other built assets are designed, constructed, operated and maintained. The digital technologies include building information modelling (BIM), prefabrication, wireless sensors, automated and robotic equipment, and 3D-printing. The economic and social impact could be substantial, as the construction industry accounts for 6% of global GDP and employs more than 100 million people worldwide.

Many proposed actions relate only to a particular scenario, but six key actions will be relevant in any possible future.

- Artificial intelligence (AI), software systems and autonomous construction equipment replace most manual work throughout the engineering and construction value chain.
- Construction activities move largely to factories and the industry uses lean principles and advanced manufacturing processes to pre-fabricate modules that are later assembled on-site.
- The construction industry uses sustainable technologies and new materials to meet tough environmental regulations.
- Attract new talent and build up required skills – as any future scenario requires talent with substantially different skills than today's workforce possesses, and adequate upskilling processes are largely not in place.
- Integrate and collaborate across the construction industry's value chain – as the construction industry is characterized by a disintegrated and highly

fragmented value chain, which hampers the seamless data flows and integrated systems that are essential in any future scenario.

- Adopt advanced technologies at scale – as the construction industry has been slow to adopt new technologies and still heavily relies on manual labour and mechanical technologies, resulting in poor productivity.
- Further key actions are to maximize the use of data and digital models throughout processes; to review existing product portfolios and embrace new business opportunities; and to enable change-management and adaptiveness.

**Conclusion:**

Players along the construction industry's value chain – architects, designers, engineers, building material suppliers, contractors, and operations and maintenance companies – need to prepare strategically and make the right moves to thrive amid the disruptions the new technologies and trends could cause. However, the myriad potential changes in the industry will make it difficult to predict the future.

