

## Finance Commission

- In the pre-reform period, the Finance Commission recommendations were not that critical because the Centre had other ways to compensate States, or indeed to play favorites, through plan financing and public sector undertaking (PSU) investments.
- Post-reforms, fresh PSU investments have thinned out and the Planning Commission was abolished in 2014 with the result that the Finance Commission remains virtually the sole architect of India's fiscal federalism.
- Currently, the Centre gives away 41% of its tax pool to the States. For sure, States will demand that this proportion be raised,
- When the previous Finance Commission was appointed in 2017, its terms of reference became quite contentious because it was asked to take into account the 2011 population figures in determining the expenditure needs of a State.
- A similar conflict arises with regard to revenue deficit grants that the Finance Commission awards to States which remain in deficit on the current account even after tax devolution.
- In theory, revenue deficit grants have a neat rationale that every State in a country should be able to provide a minimum level of service to its residents even if it involves an element of cross-subsidization
- They have tried to tweak the distribution formula to support deficit States without penalizing responsible States, a mathematically impossible task since you cannot give more to a State without giving less to another.
- The net result is that every horizontal distribution formula has been criticized as being inefficient or unfair or both
- The bottom line though is that it is in the very nature of horizontal distribution that richer States compensate poorer States.
- practice by the Centre of increasingly resorting to a levy of cesses and surcharges rather than raising taxes
- If it raises the additional rupee by way of a surcharge, it gets to keep all of it.
- When the Constitution was amended in the year 2000 giving States a share in the Centre's total tax pool, the implicit understanding was that the Centre will resort only sparingly to cesses and surcharges, and not as a matter of routine as has become the practice
- The second issue of focus for the Finance Commission should be

government spending on what has come to be called freebies.

- All political parties are guilty on this count, some more than others,
- the restraints imposed by the Fiscal Responsibility and Budget Management (FRBM) Act should have acted as a check on such populist spending, but governments have found ingenious ways of raising debt without it appearing in the budget books

## **THE HINDU**

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### **ICDS**

- It is true that India's high prevalence of stunting, wasting, and anaemia continues to pose public health risks for children and women.
- India must strengthen its existing social sector schemes, such as the Integrated Child Development Services (ICDS), to tackle this.
- The ICDS targets children aged 0-6 years, pregnant women, and lactating mothers; addresses conformal pre-school education; and breaks the cycle of malnutrition, morbidity, and mortality
- A study published in World Development demonstrated the ICDS's positive impact on cognitive achievements, especially among girls and those from economically disadvantaged families.

- children who were exposed to ICDS during the first three years of life completed 0.1-0.3 more grades of schooling than those who were no
- A significant first step towards fortifying the programme is to empower Anganwadi workers.
- An additional Anganwadi worker could be added to each of India's 13,99,661 Anganwadi centers to lessen the load of these workers. Implementing this approach could yield at least five advantages
- The new Anganwadi worker can be given the responsibility of concentrating only on preschool and early childhood education.
- Fifth, apart from improving the well-being of rural communities, this would create job opportunities for local residents, particularly women.

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### **EU ON AI**

- EU lawmakers voted to adopt a key text forming the basis of a future law regulating artificial intelligence systems like ChatGPT while aiming to foster innovation in the technology.
- The law would regulate AI according to the level of risk: the higher the risk to individuals' rights or health, for example, the greater the systems' obligations.

- The EU's proposed high-risk list includes AI in critical infrastructure, education, human resources, public order, and migration management.
- EU Parliament has added extra conditions to that, before the high-risk classification would be met, including the potential to harm people's health, safety, rights or the environment.
- There are also special requirements for generative AI systems those such as ChatGPT and DALL-E capable of producing text, images, code, audio, and other media that include informing users that a machine, not a human, produced the content.
- Lawmakers also proposed bans on AI systems that use biometric surveillance, emotion recognition, and so-called predictive policing.
- There are an array of crops brinjal, tomato, maize, chickpea in various stages of trials that employ transgenic technology.
- However, cotton remains the only transgenic crop that is being commercially cultivated in India.
- After a long hiatus, the GEAC, the apex technical body charged with evaluating proposals for testing genetically modified (GM) seeds, approved the environmental release of Mustard hybrid DMH-11
- The GEAC, which is under the Union Environment Ministry, isn't the final arbiter in the case of GM crops. There is a long-standing litigation in the Supreme Court on the permissibility of allowing transgenic food crops in farmer fields

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### Status of transgenic crops

- There States, of Gujarat, Maharashtra, and Telangana, have deferred a proposal, approved by the Centre's Genetic Engineering Appraisal Committee (GEAC), to test a new kind of transgenic cotton seed that contains a gene, Cry2Ai, that purportedly makes cotton resistant to pink bollworm, a major pest
- What is the status of transgenic crops in India?

### What is the process of regulating transgenic crops in India?

- There are multiple safety assessments done by committees before they are cleared for further tests in open plots of land, which are located at either agricultural universities or are plots controlled by the Indian Council for Agricultural Research (ICAR).
- A transgenic plant can apply for commercial clearance, only after it has proven to be demonstrably better than comparable nogo variants on claimed parameters (for instance, drought tolerance or insect

resistance) without posing ecological harm to other species that may be being cultivated in the vicinity

- Are there changes in the offing in process of regulation of GM crops?
- The GEAC consists of a panel of plant biotechnologists and is headed by a senior official of the Environment Ministry and co--chaired by the scientist of the DBT.
- To resolve the issue of States not according to approvals on testing, because of differing attitudes to GM crops, the GEAC is considering a proposal by the DBT to declare some regions across India as 'notified testing sites'.
- There are 42 such proposed sites and, if it goes through, companies wanting to conduct trials of GM crops at these locations won't need the permission of States for trials.

#### **THE HINDU**

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#### **The ceiling of wheat stock**

- The Union Government imposed limits on stock of wheat that can be held by traders, wholesalers, retailers, big chain retailers and processors.
- The motive is to stabilize the price of the essential commodity by steadying supply.
- Traders/ wholesalers can hold 3,000

metric tonnes.

- Retailers and big chain retailers can hold up to 10 metric tonnes at each of their outlets and the latter can hold up to 3,000 metric tonnes at all their depots combined.
- The Agricultural Ministry estimates the production of wheat at a record 1,127.43 lakh metric tonnes for the agriculture year 2022-23.
- The moves come in the backdrop of rising concerns about the overall wheat output taking a hit after the unseasonal rains and hailstorms towards the end of March and early April alongside hotter temperatures in February

#### **THE HINDU**

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#### **Behavior Management and biodiversity conservation**

- When large and warty cane toads were first brought to Australia nearly 100 years ago, they had a simple mission: to gobble up beetles and other pests in the sugarcane fields. Today, though, the toads have become an infamous example of a global problem: biocontrol initiatives gone wrong.
- The squat creatures have spread across the top half of the country, wreaking havoc on ecosystems.
- Cane toads are highly toxic, and consuming just one is generally

lethal for predators like monitor lizards, freshwater crocodiles, and the small, spotted marsupials called quolls.

- Conservation behavior scientists are doing just that.
- One of the most exciting areas in this quickly evolving field is behaviour-based management, in which an animal's behavior is encouraged, modified, or manipulated in some way to achieve positive conservation outcomes
- While avoiding poisoning or shooting animals can reduce overall harm, behavioral management may generate other forms of harm.
- For example, using aversive stimuli such as loud noises, harassment or mild pain to train species to avoid an area may cause distress and even trauma.
- Changing an animal's behavior may impact local communities' livelihoods and cultural practices, too, whether for good or ill like ranchers and farmers asked to use scent "fences" to keep predators away from their livestock.
- Another potentially significant issue is what we have named "behavioral bycatch": all the costs for organisms unintentionally caught up in a behavior -based management project.

- For example, some fish farms have tried to prevent seals from eating their fish by using a device that plays an unpleasant sound: a seal's version of "fingernails on a chalkboard."

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