



Daily Current Affairs



To The Point by Dhananjay Gautam

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Union Government Disburses RS. 1.73 Lakh Crore to States for Tax Devolution

Context: The Union Government has released **1.73 lakh crore** to state governments, aiming to boost **capital expenditure** and fund various **welfare initiatives**.

This allocation is a crucial step in **strengthening fiscal federalism** and empowering states to address their developmental and welfare needs.



Highlights of the Tax Devolution:

- A **higher-than-usual amount** has been released to accelerate **infrastructure projects** and **welfare schemes**.
- States like **Uttar Pradesh, Uttarakhand, and Bihar** have received the **largest shares** of the disbursed funds.

What is Tax Devolution?

Tax devolution refers to the **distribution of tax revenues** collected by the central government to the states. It ensures states have sufficient resources to manage their developmental and welfare programs.

Key Objectives:

- **Promote fiscal federalism** by empowering state governments financially.
- Strengthen the **financial autonomy** of states, allowing them to address local needs effectively.

How Does It Work?

- The **central government collects taxes** like **income tax, GST, and other indirect taxes**.
- A portion of this revenue is **shared with the states** based on the **Finance Commission's recommendations**.

Formula for Allocation:

- Factors considered include:
 - **Population size and demographic performance.**
 - **State efforts** to mobilize tax revenue.
 - **Geographical area, forest cover, and per capita income.**
- The allocation formula aims to reward better governance and encourage states to **improve their financial management**.

Constitutional Provisions Governing Centre-State Financial Relations:

- **Articles 202–206:** Define the **financial administration** of states, including their powers related to taxation, borrowing, and expenditure.
- **Articles 268–272:** Outline the **division of revenues** between the Union and states.
- **Article 280:** Mandates the establishment of a **Finance Commission** every five years to recommend the tax devolution formula.
- **Article 282:** Empowers the Union to provide **financial assistance** to states for public purposes.

Tax Devolution Trends:

Current Share of States:

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- **14th Finance Commission (2015-2020):** Increased the states' share of central taxes from **32% to 42%**, introducing **revenue deficit grants** for states with resource gaps.
- **15th Finance Commission (2020-2026):** Revised the states' share to **41%**, maintaining fiscal balance while considering the creation of the Union Territories of Jammu & Kashmir and Ladakh.
- **Special Funding Rules:**
 - Northeastern and hill states follow the **90:10 rule** (90% Centre, 10% state funding).
 - For other states, the ratio is **60:40** (60% from the Centre, 40% from the states).

Concerns Raised by States:

Demand for Higher Allocations:

- States argue for **greater financial autonomy**, citing responsibilities such as **education, healthcare, and policing**.

Disparities Among States:

- Developed states like **Tamil Nadu** and **Karnataka** feel penalized for their **higher tax contributions** compared to what they receive from the Centre.
- Critics argue this undermines states with **better governance** to support those with **weaker fiscal management**.

Issues with the Divisible Pool:

- **Cesses and surcharges**, which constitute up to **28% of central tax revenues**, are not shared with the states, leading to significant revenue loss for state governments.

Independence of the Finance Commission:

- Critics question the **independence of the Finance Commission**, as its members are appointed by the central government, potentially leading to **political bias** in recommendations.

Way Forward:

1. Strengthening Cooperative Federalism:

- Enhance the **GST framework** to ensure smoother tax collection and equitable distribution of resources.
- Promote **fair taxation systems** that address the needs of all regions equitably.

2. **Fiscal Equalization:** Prioritize **balanced resource allocation**, ensuring **poorer states** receive adequate support without penalizing well-performing states.

3. **Modernizing Tax Administration:** Improve **tax compliance** and **administration efficiency** at the state level to optimize resource utilization.

4. **Capacity Building:** Invest in **financial management training** and infrastructure to help states effectively utilize devolved funds for development.

Did You Know?

- The **Finance Commission** not only decides on tax sharing but also recommends grants for **disaster relief** and **local governance improvements**.
- In the **2023-24 fiscal year**, cesses and surcharges accounted for over **5 lakh crore**, none of which were shared with the states.

The recent tax devolution highlights the government's commitment to empowering states and addressing fiscal challenges, a vital step toward fostering a more balanced and inclusive economic growth trajectory.

2 Supreme Court Rejects Review Petitions on Same-Sex Marriage Judgment

Context: The Supreme Court of India recently dismissed review petitions challenging its **October 2023 ruling**, which denied the legalization of same-sex marriage. The court emphasized that the matter requires legislative action, as Parliament is better suited to deliberate and legislate on such **complex social issues**.



Understanding Same-Sex Marriage:

What is Same-Sex Marriage?

Same-sex marriage refers to the union between two individuals of the same gender. While it is legally recognized in many parts of the world, **India does not recognize same-sex marriages** or civil unions.

Current Legal Status in India:

- Same-sex couples can enjoy certain rights under the concept of **live-in relationships**, as upheld by the **Supreme Court in 2022** under **Article 21** (Right to Life).
- However, they are excluded from the **Special Marriage Act (SMA), 1954**, which allows for civil marriages across religions.
- The **Supreme Court's 2023 ruling** clarified that:
 - There is **no fundamental right to marry** under Indian law.
 - The **SMA does not apply** to same-sex couples.
 - Same-sex couples cannot form **civil unions** or **adopt children**.

Arguments in Favor of Legalizing Same-Sex Marriage:

1. Promoting Equality:

- Denying marriage rights to same-sex couples violates the **constitutional principle of equality** and perpetuates discrimination.
- Legal recognition affirms the **dignity and rights of LGBTQIA+ individuals**.

2. Access to Legal and Social Benefits:

- Marriage provides numerous benefits, such as **inheritance rights, tax benefits, and social security**.
- Recognizing same-sex marriages ensures that LGBTQIA+ couples can access these protections.

3. Improved Mental Health: Legal recognition fosters **social acceptance**, reducing stigma and improving the mental well-being of LGBTQIA+ individuals.

4. Aligning with Global Trends:

- Over **30 countries**, including **the Netherlands, United States, Australia, and Canada**, have legalized same-sex marriage.
- India, as a progressive democracy, can enhance its global standing by joining this movement toward **equality**.

Global Landscape of Same-Sex Marriage:

- **The Netherlands** was the first country to legalize same-sex marriage in 2001.
- Today, most nations in **North and South America** and **Europe** have recognized same-sex unions.
- Some countries initially acknowledged **civil unions** before transitioning to full marriage equality.

Arguments Against Same-Sex Marriage in India:

1. **Cultural and Religious Sensitivities:** Critics argue that same-sex marriage conflicts with **traditional Indian values** and religious beliefs, which predominantly view marriage as a union between a man and a woman.
2. **Legislative Domain:** The **Supreme Court** has stated that the issue falls within the **legislative purview**, making it Parliament's responsibility to enact laws reflecting the **will of the people**.
3. **Social Readiness:** Opponents suggest that Indian society is **not yet prepared** for such a change, fearing backlash from conservative groups.
4. **Alternatives to Marriage:** Some propose **civil unions** or **domestic partnerships** as a compromise, granting legal rights without redefining the traditional concept of marriage.

Review Petitions in the Supreme Court:

What is a Review Petition?

A review petition is a legal mechanism that allows parties to seek reconsideration of a Supreme Court judgment under **Article 137** of the Constitution.

Key Details:

- **Grounds for Filing:**
 - An **error apparent** in the judgment.
 - **New and significant information** has come to light.
 - Any other **sufficient reason**.
- **Time Limit:** Must be filed within **30 days** of the judgment.
- **Procedure:**
 - Heard by the same bench that delivered the original judgment.
 - If judges from the original bench have retired, the **Chief Justice** appoints replacements.
- **Outcome:** The court may accept or reject the petition. If accepted, the judgment may be modified or reversed.

Implications of the Dismissal:

1. **Status Quo Maintained:** Same-sex couples in India will continue to lack legal recognition for their relationships, including marriage and adoption rights.
2. **Legislative Responsibility:** The ruling highlights the **need for Parliament** to legislate on same-sex marriage, emphasizing the judiciary's limitations in addressing societal issues.
3. **Advocacy for Rights:** The dismissal reinforces the necessity for continued **LGBTQIA+ advocacy** to push for legislative reforms.
4. **Policy Dependency:** Until legislative action is taken, the **LGBTQIA+ community remains dependent** on government policies for their rights and recognition.

Did You Know?

- In 2018, the Supreme Court of India decriminalized homosexuality by striking down **Section 377**, a colonial-era law. A survey by Pew Research in 2023 revealed that **48% of urban Indians support same-sex marriage**, indicating growing acceptance. The rejection of review petitions is a reminder that the fight for equal rights continues. While the judiciary has taken significant steps toward recognizing LGBTQIA+ rights, the onus now lies on society and Parliament to ensure **equality and dignity for all**.

3 Right to Food and Challenges in India's Public Distribution System (PDS)

Context: Despite India's commitment to ensuring the **Right to Food**, inefficiencies in the **Public Distribution System (PDS)** pose significant hurdles in achieving equitable access to essential food grains.

Food Insecurity in India:

- **Global Hunger Index (GHI) 2024:** India ranks **105th out of 127 countries**, categorized as having **serious hunger levels**.
- **State of Food Security and Nutrition in the World 2023 Report:** Approximately **224 million Indians** faced **moderate to severe food insecurity** during 2021-2022.
- **Malnutrition and Poverty:** A large proportion of India's population continues to struggle with undernourishment and lack of access to affordable food, making food security a critical concern.



Recognition of the Right to Food:

- Globally, the **Universal Declaration of Human Rights** and the **International Covenant on Economic, Social and Cultural Rights (ICESCR)** recognize the **right to food** as fundamental.
- In India, the **Supreme Court ruling in People's Union of Civil Liberties vs. Union of India** established the **Right to Food** as part of the **fundamental right to life** under **Article 21** of the Constitution.

What is the Public Distribution System (PDS)?

The **PDS** is a food security mechanism aimed at providing subsidized food grains and essential commodities to vulnerable sections of society.

Key Features of PDS:

1. **Dual Responsibility:**
 - The **central government**, through the **Food Corporation of India (FCI)**, manages procurement, storage, transportation, and allocation of food grains.
 - **State governments** oversee local distribution, beneficiary identification, and issuance of **ration cards**.
2. **Fair Price Shops (FPS):** These serve as distribution points for subsidized food grains under the PDS.

Challenges in the Public Distribution System:

1. **Food Grain Leakages:** A significant portion of food grains is **diverted** to the black market or lost during transportation.
2. **Exclusion Errors:** **Aadhaar-based biometric verification** often results in eligible individuals being excluded due to technical errors or mismatches.
3. **Corruption:** Malpractices at **Fair Price Shops** include under-weighting goods, selling poor-quality food grains, and charging higher prices than mandated.
4. **Storage and Transport Issues:** **Inadequate warehousing** and transportation infrastructure lead to significant spoilage and wastage of food grains.
5. **Targeting Errors:** Identifying beneficiaries remains a challenge, leading to inclusion of ineligible households and exclusion of deserving ones.

Reforms and Modernization Efforts:

1. National Food Security Act (NFSA), 2013:

- Provides **legal entitlement** to subsidized food grains for **two-thirds of India's population**.
- Covers **75% of rural** and **50% of urban populations**.

2. Targeted Public Distribution System (TPDS):

- The **2015 Control Order** clarified roles of the Centre and States, and established a grievance redressal mechanism.

3. Technological Advancements:

- **Digital Ration Cards:** Introduced to eliminate fake and duplicate ration cards.
- **Aadhaar Integration:** Biometric authentication ensures targeted distribution and reduces ghost beneficiaries.
- **End-to-End Computerization:** Improves transparency, tracks food grain movement, and minimizes leakages.

4. Direct Benefit Transfer (DBT):

Piloted in certain regions, **DBT** involves transferring subsidies directly into beneficiaries' bank accounts instead of providing food grains.

5. Quality Monitoring:

Enhanced mechanisms for **food safety and quality control** ensure better nutritional value for beneficiaries.

The Way Ahead:

1. Strengthen Infrastructure

- **Expand storage and transport facilities** to support increasing operational needs.
- Improve warehousing with modern storage techniques to reduce spoilage.

2. Leverage Technology:

Use **artificial intelligence (AI)** and **blockchain** for real-time tracking, ensuring better accountability and minimizing inefficiencies.

3. Social Audits:

- Conduct **community-led audits** to monitor the PDS and ensure transparency.
- Empower local stakeholders to hold authorities accountable.

4. Address Exclusion Errors:

Simplify biometric verification and introduce alternatives for Aadhaar-based authentication to prevent unjust exclusions.

5. Comprehensive Policy Integration:

Link the PDS with other welfare schemes like **Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)** to ensure holistic support.

Did You Know?

- India's **midday meal scheme**, one of the world's largest school meal programs, complements the PDS by addressing child malnutrition.
- **Chhattisgarh's state-run PDS model** is often cited as a success story for its community-driven approach and transparency mechanisms.

Conclusion: While the **Public Distribution System** is a critical pillar of India's food security framework, addressing its inefficiencies is vital to ensuring that the **Right to Food** becomes a reality for all. By combining technological advancements, robust infrastructure, and community involvement, India can overcome these challenges and provide **universal food security**.

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4 Revised Appointment Process for Chief Election Commissioner (CEC)

Context: For the first time, the process of appointing the **Chief Election Commissioner (CEC)** will no longer be restricted to seniority-based promotions. The **Chief Election Commissioner and Other Election Commissioners (Appointment, Conditions of Service, and Term of Office) Act, 2023** introduces a revamped selection process, widening the scope for choosing the CEC and Election Commissioners (ECs).



Background: Why Was the New Law Introduced?

- **Constitutional Mandate:** Article 324 of the **Indian Constitution** empowers the President to appoint the CEC and ECs, subject to any **Parliamentary law**.
- **Past Practice:** In the absence of such a law, appointments were made based on the recommendations of the **Prime Minister**, often adhering to a seniority-based approach.
- **Supreme Court Intervention:**
 - In 2023, the **Supreme Court** (in the **Anoop Baranwal v. Union of India** case) sought to enhance the independence of the Election Commission by altering the appointment process.
 - A **temporary selection committee** comprising the **Prime Minister**, the **Chief Justice of India (CJI)**, and the **Leader of the Opposition (LoP)** was formed to advise the President.
 - The court urged Parliament to enact a specific law governing these appointments.
- **New Legislation:** In response, the Act was introduced, replacing the SC's temporary mechanism.

The New Appointment Process:

1. **Structure of the Election Commission:** The Election Commission consists of the CEC and **two Election Commissioners**. The current ECs are **Gyanesh Kumar** and **Sukhbir Singh Sandhu**.
2. **Eligibility Criteria:** Section 5 restricts eligibility to individuals who are **current or former Secretary-level officers** in the central or state government.
3. **Departure from Tradition:** Previously, the **senior-most Election Commissioner** succeeded the outgoing CEC. The new Act allows candidates to be selected from **outside the Election Commission**, expanding the talent pool.
4. **Search Committee:**
 - **Formation:** A **Search Committee**, chaired by the **Minister of Law and Justice** and comprising two senior officials, prepares a list of five candidates.
 - **Recommendations:** The panel is submitted to a **Selection Committee** for final consideration.

5. Selection Committee:

- **Composition:** The Selection Committee includes the **Prime Minister**, a **Cabinet Minister**, and the **Leader of the Opposition (LoP)** in the Lok Sabha.
- **Decision-Making:** This committee can choose from the panel or nominate an **external candidate**.

Implications of Key Provisions:

1. **Enhanced Flexibility for the Government:** The Act grants the **Executive more discretion** in choosing the CEC, raising concerns about maintaining the Election Commission's independence amidst increasing scrutiny.



2. **Potential for Political Debates:** With the **LoP** included in the Selection Committee, decisions may spark debates and disagreements, especially regarding the credibility and impartiality of the chosen candidate.
3. **Impact on Election Commission Credibility:** Criticism from opposition parties on matters such as **electoral rolls** and **electronic voting machines (EVMs)** could intensify, potentially impacting the public's trust in the institution.

Concerns Regarding the New Act:

1. **Exclusion of the Chief Justice of India (CJI):**
 - **SC Ruling Ignored:** The Supreme Court, in its 2023 judgment, emphasized including the **CJI** in the selection process to bolster the Election Commission's independence.
 - **Credibility Concerns:** Omitting the CJI has raised fears of potential **Executive overreach** and erosion of institutional credibility.
2. **Risk of Partisanship:** Former CEC **O.P. Rawat** has warned that the new system could be influenced by **political changes**, reducing the Election Commission's perceived neutrality.
3. **Pending Legal Challenges: Petitions in SC:** The exclusion of the CJI has been challenged, and the Supreme Court is set to review the matter in **February 2025**.

Conclusion:

The **Chief Election Commissioner and Other Election Commissioners (Appointment, Conditions of Service, and Term of Office) Act, 2023** marks a significant shift in India's election management framework. While the new process seeks to enhance **transparency** and widen the talent pool, concerns about **Executive overreach**, **institutional independence**, and **partisanship** cannot be overlooked.

The **Supreme Court's upcoming review** will be critical in determining whether this legislation aligns with constitutional principles and safeguards the impartiality of the **Election Commission**, a cornerstone of India's democracy.

Did You Know?

- India's Election Commission, established in **1950**, is one of the world's most extensive electoral management bodies.
- The **first Chief Election Commissioner, Sukumar Sen**, conducted India's first general elections in **1951-52**, involving over **173 million voters**.

5 California Wildfires 2025: Santa Ana Winds and Drought Amplify Destruction

Context: Devastating wildfires in **Los Angeles, California**, have claimed **10 lives**, forced over **130,000 evacuations**, and destroyed numerous homes, including those of celebrities like **Paris Hilton** and **Billy Crystal**.

Key updates:

- Areas like **Hollywood Hills** are severely affected by fires such as **Palisades, Eaton, Sunset, Hurst, and Lidia** fires.
- The **Oscars nominations announcement** has been postponed due to the crisis.
- While wildfires are common in California, the **intensity** and **winter timing** of these fires are unprecedented.



California Wildfires 2025: Timeline and Unusual Features:

1. Timeline of Events:

- The first fire ignited on **January 7** in the **Pacific Palisades** neighborhood of Los Angeles.
- This firestorm is being described as the **worst in recent memory**, striking during **January**, the traditionally coldest month of winter.

2. Unusual Timing and Drought Conditions:

- Wildfires typically occur between **June and October**, making this **January wildfire** highly unusual.
- Southern California is grappling with **intense drought conditions**:
 - As of December 31, 2024, only **40.9%** of the state was drought-free, compared to **96.65%** the year prior.

What Caused the California Wildfires?

The precise cause is under investigation, but **power cables** impacted by strong winds are suspected.

Three Main Factors Behind the Blaze:

1. Wet Weather Followed by Extreme Dryness

- **Dense vegetation** growth in **2022–2023** due to unusually wet winters.
- The **2024–2025 winter** has been exceptionally dry, turning this vegetation into **highly flammable kindling**.
- **NASA Report:** Southern California has experienced negligible rainfall since October, making this the **driest start to a water year** in **Los Angeles** since **1944**.

2. Santa Ana Winds

- These winds are **stronger than usual**, spreading fires rapidly.
- They:
 - Originate from **high-pressure systems** over the Great Basin.
 - Become **hotter, drier, and faster** as they descend over mountains.
 - Act as a natural **bellows**, fueling flames and igniting dry vegetation.

3. Impact of Climate Change:



- **Global warming** has worsened extreme weather, including wildfires.
- Key changes:
 - **Rising global temperatures** and **early snowmelt** have extended and intensified dry seasons.
 - Vegetation is under **increased moisture stress**, creating more fuel for fires.

Understanding Santa Ana Winds:

What Are Santa Ana Winds?

Santa Ana Winds are **hot, dry, and strong winds** blowing from the inland deserts of **Southern California** toward the coast. They are notorious for rapidly spreading wildfires.

Causes of Santa Ana Winds:

1. High-Pressure Systems in the Great Basin:

- These winds are driven by **high-pressure systems** over the **Great Basin** (spanning Nevada, Utah, and California).
- The air circulates clockwise, pushing winds toward **low-pressure coastal areas**.

2. Descending Air:

- As the winds descend from **high elevations** (like the **Sierra Nevada and Santa Ana Mountains**), they:

3. Speed Amplification in Narrow Passages:

- As winds pass through **mountain canyons** and **narrow gaps**, their speed increases significantly.
- Gusts can exceed **100 mph (160 km/h)** in certain areas.

Characteristics of Santa Ana Winds:

- **Hot and Dry:** The winds heat up as they descend, drying out vegetation.
- **High Velocity:** Strong gusts can lead to **property damage** and **power outages**.
- **Fire Spreading:** These winds act as a **natural accelerant**, turning small fires into raging infernos.

Impact and Future Outlook:

- The **California wildfires of 2025** highlight the interplay between **natural factors** (like Santa Ana winds) and **human-driven climate change**.
- Efforts to mitigate such disasters require:
 - **Better infrastructure** to prevent power-line sparks.
 - **Improved drought management** and **forest policies**.
 - Increased public awareness about the dangers of **Santa Ana Winds** during drought seasons.

Did You Know?

- **Santa Ana Winds** are sometimes called "**Devil Winds**" due to their fiery impact.
- The **2003 Cedar Fire**, one of California's largest wildfires, was also fueled by **Santa Ana Winds**, burning over **280,000 acres** and destroying **2,800 structures**.

6 NATO Members Hesitant to Back Trump's Defence Spending Proposal

Context: U.S. President-elect Donald Trump has proposed that NATO members increase their **defence spending** to **5% of GDP**, a significant leap from the current target of **2%**.



- This proposal is viewed as **economically challenging** and **politically untenable** for most member states.
- However, at the upcoming **NATO summit in June**, there are expectations of a new, higher target, potentially around **3% of GDP**.

Defence Spending by NATO Members:

Current Spending Trends:

- **Poland** leads in defence spending, allocating a staggering **12% of its GDP** due to its proximity to Ukraine.
- **Estonia** follows with **3.43%**, and the **United States** contributes **3.38%** of its GDP to defence.
- The total defence expenditure of **NATO nations** in 2024 was estimated at **\$1.474 trillion**, with the **U.S. contributing \$968 billion**, making it the largest contributor by a wide margin.

Impact of the Russia-Ukraine Conflict:

- Following **Russia's invasion of Ukraine**, European nations have gradually increased their defence budgets.
- Despite these efforts, most countries still fall short of meeting the **current 2% target**, let alone more ambitious goals.

Understanding NATO:

Foundation and Purpose:

- Established in **1949** through the **Washington Treaty**, the **North Atlantic Treaty Organization (NATO)** is a **security alliance** of **32 nations** from North America and Europe.
- **Sweden** became NATO's newest member in **March 2024**, increasing the alliance's strength and reach.
- The original **12 founding members** included the **United States, Canada**, and **ten European nations: Belgium, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, and the United Kingdom**.

Core Principles:

- NATO operates under the principle of **collective defence**, enshrined in **Article 5** of the North Atlantic Treaty.
 - This principle means an **attack on one member is considered an attack on all**, obligating collective action.
- The alliance aims to safeguard its members' **freedom and security** through **political** and **military** means.

Headquarters:

- NATO is headquartered in **Brussels, Belgium**, serving as the hub for its strategic and diplomatic operations.



Challenges with the 5% Proposal:

1. Economic Strain:

- Many member nations face **budget constraints**, making the jump to 5% **unrealistic**.
- Only a handful of countries, like **Poland**, have been able to allocate substantially higher percentages due to **geopolitical pressures**.

2. Political Pushback:

- The proposal risks widening **divisions within NATO**, with some nations unwilling or unable to meet these new expectations.

3. Existing Disparities:

- The **United States** already contributes a disproportionately large share of NATO's defence budget, leading to ongoing debates about **equitable burden-sharing**.

Additional Insights:

- NATO's Evolution:** From a Cold War-era alliance to a modern security organization, NATO now addresses challenges like **cybersecurity**, **terrorism**, and **climate-related threats**.
- Future Direction:** While increased defence spending is essential to counter growing threats, the path forward requires a balance between **economic realities** and **collective security commitments**.

Looking Ahead:

The **NATO summit in June** will be a critical juncture for deciding the alliance's future defence spending targets.

- While **Trump's 5% proposal** is unlikely to gain unanimous support, a revised goal of around **3% of GDP** could emerge as a **more feasible compromise**.
- The challenge lies in ensuring all member states contribute fairly while maintaining **unity** in addressing global security threats.