

Pedia-Culture and Tax Evasion: An Extensive Literature Review of the Relationship.

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Abstract

Purpose – The purpose of this research is to investigate the relationship between Pedia- ("Παιδεία", the original Hellenic term)-Culture and Tax Evasion. More specifically, we present, discuss and analyze the impact of a) civilization and institutions operating in the contexts of it and perpetuating it, b) Pedia-culture, and especially tax culture or tax morale or ethics, c) Pedia-culture to the educational level, and particularly tax knowledge, on tax compliance, and thus on tax evasion.

Design/methodology/approach – The tool of the analysis is literature review. First, we analyze the concepts of civilization, Pedia-culture, education and institutions, making a clear distinction between them, and introduce the relevant theoretical background. Next, based on mentioned theories of taxation, we present and analyze extensively the concepts and causal relationships related to the phenomenon of tax evasion (concept of tax evasion and its distinction from concepts, such as tax avoidance, underground economy, etc., forms and methods, theoretical background, determinants and causes, consequences and responses). Finally, we focus on the relationship in question, which is not approached quantitatively, but only qualitatively.

Findings – According to the findings of the research, civilization and Pedia-culture are included among the major determinants of the phenomenon of tax evasion. In particular, the impact of institutions, which are formed in the contexts of civilization, tax culture or tax morale or ethics, and level of education, and especially level of tax knowledge, is considered of catalytic significance for this phenomenon.

Research limitations/implications – In this research, we mainly focused on the impact of Pedia-culture on tax evasion and not on civilization one. The results of this extensive literature review should be a useful source of information for policy makers, as long as they realize the hierarchy of per capita culture against per capita income, ideologies or moral, on the multidimensional phenomenon of tax evasion.

Originality/value – So far we have known, this is the first time such an extensive review of the literature concerns the relationship between Pedia-culture and tax evasion. In addition, it contributes to further research in this area and recommends for quantitative measurement of these characteristics.

Keywords – Tax Evasion, Civilization, Pedia-Culture, Education, Institutions.

Paper type – Literature Review Paper

JEL classification – D02, H20, H26, I25, Z10.

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