

***The risks of administrative corruption and tax evasion on economic development:  
the viewpoint of tax collectors***

مخاطر الفساد الإداري والتهرب الضريبي على التنمية الاقتصادية: من وجهة نظر محصلي الضرائب

***Ammam Rim<sup>1,\*</sup>, Bassour Redouane<sup>2</sup>***

<sup>1</sup> University of Medea (Algeria), rimammam@gmail.com

<sup>2</sup> University of Medea (Algeria), bassour.redouane@univ-medea.dz

**Received:** 10/11/2022;

**Accepted :** 13/06/2023;

**Published:** 31/12/2023;

***Abstract:***

*This study aims to analyze the interaction between corruption, taxation, and economic growth. Its contribution is twofold. In theory, you introduce corruption in two different ways: administrative corruption and tax evasion. To test these expectations, a questionnaire was distributed to 65 employees of the tax center in Laghouat to identify and identify factors of tax evasion and to assess the impact of tax evasion on economic development. A five-point Likert scale questionnaire was used. Their opinion revealed that tax rates are essential for many aspects of growth while tax evasion negatively affects the economy such as lower government revenues that finance public infrastructure, education, and other services.*

***Keywords:*** Tax evasion; administrative corruption; tax collectors; economic development  
***Jel Classification Codes :*** H2, O43.

\*Corresponding author,

## **Introduction:**

Corruption has been present in almost all societies throughout human history, in other words, there is no country in the world that has not suffered from corruption. The level of corruption grows and shrinks over time. It is legally wrong, and morally wrong. Many results were obtained by economists, topics such as corruption in administrative bodies and the quality of bureaucracy, and such issues were new variables that entered the literature of economic growth at this stage .

Administrative corruption has received much time and attention from economists and international financial institutions such as the World Bank and the International Monetary Fund in the past few decades, due to its dominant impact on economic growth. Moreover, economists and other researchers remain concerned about the impact of administrative corruption on economic development

Based on the foregoing, the problem of the study crystallizes around the following question: "Do the factors of administrative corruption and tax evasion cause the deterioration of economic development from the point of view of tax collectors in Laghouat"?

the importance of studying:

The importance of the study comes through standing on the challenges that impede the process of economic development in Algeria, the impact of administrative corruption, and ways to combat it in Algeria.

### **Study Objectives:**

The study aims to:

- Identifying the nature of administrative corruption and economic development.
- Statement of the impact of administrative corruption factors on economic development.

### **Study hypotheses:**

H<sub>0</sub>: There is a statistically significant effect of the factors of administrative corruption on the areas of economic development from the point of view of tax collectors in Laghouat at the 5% level of significance.

H<sub>1</sub>: There is no statistically significant effect of the factors of administrative corruption on the areas of economic development from the point of view of tax collectors in Laghouat at the level of significance of 5%.

### **Some previous studies:**

-**A study (Bouziane, 2016)** entitled: "Administrative corruption and its effects on economic development in the Arab world – a case study of Algeria –", a doctoral thesis in economic sciences that was discussed at Hassiba Ben Bouali University. Public and private administrations, the study concluded that all types of administrative corruption are prevalent in the Algerian career, such as bribery, embezzlement of public money, nepotism such as mediation, and abuse of power and influence.

-**A study (Bhattacharyya & Hodler, 2010)** entitled: "Natural Resources, Democracy, and Corruption." It is an article published by European Economic Review. The study aimed to find out how natural resources can fuel corruption and how this affects the quality of democratic institutions. The study used panel data Covering the period 1980-2004 on 124 countries to test this theoretical prediction, the study came to the conclusion that countries that have a high percentage of oil and mineral materials suffer from corruption and lower economic growth.

-**A study (Usman, 2008)** entitled: "Corruption and Economic Growth in Nigeria." It is an article published by the Journal of Mpra Economic Freedom, which aimed to determine the impact of corruption on economic growth in Nigeria for the period 1986-2007. He included in his study variables such as physical and human capital and government costs and finally concluded that corruption has a negative impact on economic growth, and corruption also has a negative impact on

capital, and thus they concluded that the impact of corruption on Nigeria's economic growth is in direct and indirect forms.

-A study (Tanzi & Davoodi, 1997) entitled: "Corruption, Public Investment, and Growth." It is an article published by the International Monetary Fund Staff Papers. The two researchers conducted a quantitative study in cooperation with the World Bank through the method of regression analysis, on the impact of corruption in the form of four assumed investment variables. year, government revenue, operating costs, and the maintenance of public capital. and public investment quality. The results of the study found the following:

Corruption at a high level converges with public investment on a large scale.

Corruption at a high level converges with low government income.

Corruption may reduce government income in particular if it works in the direction of tax evasion, improper tax relief, or a weak tax administration system.

### **I- Conceptual Framework for Administrative Corruption:**

#### **I-1- Corruption concept.**

David Bayley (1966) argues that: "Corruption, though specifically associated with the act of bribery, is a general term covering the abuse of power resulting from considerations of personal gain, which need not be financial." Joseph Nye (1967) finds that: Corruption involves conduct that deviates from the normal duties of a public role by reason of privacy (regarding family, close friends), financial gain or status; or violates rules against the exercise of certain types of private influence" (Mbaku,1996,p101).

#### **I-2- The concept of administrative corruption:**

Some researchers believe that administrative corruption is a tool for deviating the performance of individuals from their official duties and activities related to political and economic issues. The most popular and simple definition of administrative corruption is: "the misuse of public power for private benefit" (Pellegrini, 2011).

### **II- Reasons for the spread of the phenomenon of administrative corruption:**

In order for there to be an effective and comprehensive treatment of administrative corruption, we must know the reasons that led to its emergence, and because corruption is a comprehensive phenomenon, it has many dimensions and causes that affect various personal, institutional, and environmental aspects (Hussain, 2014):

#### **II-1- Personal factors:**

Many studies indicate that there is a relationship between some characteristics of individuals and their corrupt administrative practices. These characteristics can be summarized as follows:

-**Age:** The needs of the young employee are many and his resources are few, and because he is a new and newly appointed employee, it may be a reason behind corrupt administrative practices.

Duration of service: Senior employees who have a long service period may be fully aware of the methods of concealing corrupt administrative practices and this helps to commit them.

-**Academic level:** The confirmation of the relationship of administrative corruption practices with the academic level and educational attainment may differ in different societies. The societies in which the individual is interested in obtaining higher degrees in an unscientific and illegitimate manner, as well as obtaining a job in an illegal and fair manner, members of this society are more inclined to practice administrative corruption. , unlike societies whose educational system is efficient and based on scientific foundations, in which the service system is serious and accurate in recruitment processes, it prevents incompetent people from accessing government jobs, and thus administrative corruption operations are reduced.

-**Gender:** Male employees tend more to engage in cases of administrative corruption than women, because of their psychological composition and the speed with which they are affected by the surrounding workers.

**-Profession and specialization:** It is expected that cases of administrative corruption will be more evident among administrators in government jobs or business organizations than in specialized technical jobs, and it may be due to the practice of administrators to work that puts them in direct contact with people, often prompting them to open topics that can be accessed to pay Bribery or acceptance of mediation or other cases of administrative corruption.

**II-2- Institutional and Regulatory Factors:**

There are many organizational and institutional reasons behind corrupt administrative practices in governmental and private organizations. Most of these institutional and organizational dimensions directly or indirectly affect administrative or organizational behavior by making it deviant or disciplined behavior. The most important of these can be referred to. The factors are as follows (Al-Ghalib & Al-Amiri, 2010):

**-Organizational culture:** The existence of a strong, coherent, and positive organizational culture that leads to high commitment and high administrative ethics.

**The size of the organization:** the large size, especially in public administrations, is often associated with administrative slack, disguised unemployment, and high bureaucracy, all of which in turn lead to illegal practices and administrative corruption behaviors that cannot be easily controlled.

**Weakness of the control system:** it makes corrupt practices a routine that passes without accountability or account. Business organizations and public administrations are called upon to constantly reconsider their control systems and methods of evaluating their performance. These systems have developed a lot and have become many effective tools that help control cases of administrative corruption.

**- Relationship with officials in higher management:** this may be a reason for corrupt administrative practices resulting from the abuse of influence for these officials and taking shelter with them, whether the relationship is kinship, the association of interests, or friendship.

**The nature of institutional work:** The degree of clarity of work, the objectives of institutions and business organizations, and the transparency of their work have a significant impact on reducing cases of administrative corruption. As for institutions whose nature of work requires a lot of confidentiality and speed, and have many resources far from popular and media oversight, cases of administrative corruption abound in them and can be easily concealed, as the perpetrators might expect.

**-Organizational structures and power structures:** The lack of clarity of powers and authorities, the lack of fit of the organizational structure with the nature of work, and the absence of a clear job description increase the likelihood of administrative corruption in organizations of this type more than others.

**-Disguised unemployment:** The presence of large numbers of workers who are engaged in actual work may be a reason behind these employees' sophistication in requests and complicate the conduct of transactions for the purpose of extortion, bribery, mediation, and others.

**-Job instability:** The employee's feeling, especially in higher management, that his position is an opportunity that he should take advantage of for a specific period makes him more inclined to practice cases of administrative corruption for the purpose of enrichment, building influence, and consolidating relations with others at the expense of the interest of the organization, integrity, and justice.

**II-3- Environmental factors:**

They are among the most important of these factors that stand behind cases of administrative corruption or contribute to their strengthening due to their large number, complexity, and intertwining, as they overlap with each other in a way that prevents access to the real one. cause of corruption. The following is a reference to these factors (Hussain, 2014):

Political environment factors: This dimension is considered one of the most supportive dimensions of administrative corruption in developing countries. The dominance of corrupt politicians in various aspects of life is the reason for widespread cases of severe corruption. The militarization of society, state control over the media, and the weakness of civil society organizations.

**-Factors of the economic environment:** the economy is an introduction to the practice of administrative corruption issues in its various forms. The economic and financial control systems in institutions are among the most important economic factors that help in the spread of administrative corruption.

**-Social Environment Factors:** If the social factors are immature and suspicious, they will surely constitute a broad entry point for corrupt management practices at various levels. Social acceptance of these factors, and among the most important social factors that are likely to cause administrative corruption, we mention the distorted values prevailing in society, the spread of a culture of corruption in society, the loss of social mobility, and the stagnation of society. Thinking, arrogance, not accepting change, increasing the population, scarcity of resources, and concealing sectarian and religious fanaticism.

**-Factors of the legal and legislative environment:** This environment can greatly contribute to the spread of cases of administrative corruption if it is characterized by a lack of integrity, independence, and complete submission to the political or executive authority in the state. The most important outlets of administrative corruption within the dimensions of this environment can be summarized by various arbitrary laws, the constant change in them, the duplication of law interpretation, and the weakness of the judiciary.

**-Factors of the cultural environment:** The cultural environment, with its age and multiple dimensions, can be a motive for administrative corruption, especially in developing countries. The media plays a major role in building positive cultural values, or vice versa, which may be a major reason for the spread of administrative corruption

### **III- economic development...concepts and theoretical approaches**

#### **III-1 -Concept of Economic Development:**

The economist (Parana Paul) has crystallized the concept of economic development as the increase over time in the production of material goods for the individual through the expansion of the use of idle resources from land and labor or in the level of productivity by developing organizational measures that include rationalizing the use of resources and methods Production and technology development (Al-Adly, 2014)

#### **III-2- Requirements for Economic Development:**

Economists have traditionally studied economic development as the necessary economic need for developing societies and as not only increasing the productive capacity quantitatively but rather it means a structural change in the developing economy, meaning a change in the relative importance of economic sectors and activities that lead to a rise in the real national income of the country during a certain period of time and the development of the level of residents' livelihood. The process of economic development depends on basic elements represented in human resources, natural resources, capital formation, and technological progress, as requirements for this process (Saleh, 2013).

#### **III-3- Objectives of Economic Development:**

The process of economic development adopted by the developing countries for more than half a century was aimed at achieving economic and social reforms, among which we mention the following (Al-Adly, 2014):

- a- making changes in the economic structure and structure;
- b- Achieving greater equity in the distribution of income;
- c- Pay attention to the quality of goods and services;

- d- Achieving an increase in the average per capita share of national income;
- e- The increase in the average per capita income should be real and not monetary;  
The increase in the average per capita income should be characterized by continuity.

#### **IV -Factors affecting administrative corruption in the public sector:**

According to( Tanzi, 1998), the factors affecting administrative corruption in the public sector are divided into two parts: direct and indirect factors:

##### **IV-1- Direct Factors:**

Factors in which governments play a direct role, including government regulations and bodies, tax systems, decision-making related to government expenditures, supplying goods and services below the market price, and decisions that are in the interest of the parties or provide them financially.

##### **IV-2 -Indirect factors:**

including the quality of the bureaucracy, the level of wages in the public sector, the system of punishment, institutional controls, transparency of rules, procedures, and models of behavior of leaders.

#### **IV – 3- Views of the impact of administrative corruption on economic development:**

**A.** The viewpoint of researchers who believe that administrative corruption will lead to economic development (Danilo & al, 2016):

Bayley (1966) says Administrative corruption either in the form of bribery, bribery, or push notification along with pay can lead to an over-allocation of resources in the direction of investment. He argues that in countries where there is data inconsistency, as a result of this situation, the risk of investing in them is relatively high. Therefore, government employees and public authorities who have data on economic conditions compared to the public will greatly increase wealth creation and real investment through bribery. In addition to these specific economic problems, the future investor should note his own political environment. So, he can Administrative corruption can help investors gain more control over the political process and interfere in government activities in order to reduce the negative effects of uncertainty and political stability on investment.

As Leff (1964) stated that administrative corruption serves economic development in two important and controversial areas.

First, administrative corruption can be used to correct and improve relations between the private sector and public authorities and increase the capacity of these two groups to contribute to shaping and materializing public policy.

Second, that administrative corruption can promote development by removing government rigidity that interferes with other effective economic decisions.

**B.** The viewpoint of researchers who believe that administrative corruption is a negative obstacle to economic development (Bardhan, 1997):

Bardhan (1997) says that administrative corruption is an important obstacle in the way of economic development that occurs through various channels.

In an environment where there is administrative corruption, corruption (using special advantages) is more profitable compared to productive work, and the power of the mind is inappropriately allocated.

Financial motives may make talented and educated persons engage in administrative corruption instead of contributing to an economic function and this will lower the rates of economic development of the country.

On the other hand, in this kind of environment, businessmen and merchants know that before they start anything, they have to pay the bribe and view this amount as a kind of tax (and of course a destructive kind).

Therefore, since this task is done in disguise, it is always possible that the bribery recipient will not meet his obligations, and these issues may leave investors disappointed and the rate of economic development decreases accordingly.

Administrative corruption impedes international trade and the flow of investment. Thus, citizens do not trust their ruling system and do not appreciate it. It also prevents new inventions and innovations in various fields, which reduces economic development.

#### **V -Tax transparency mechanisms in fighting against administrative and financial corruption:**

In the following, we will attempt to show the contribution of tax transparency to combating one of the most dangerous types of administrative and financial corruption, namely tax evasion and customs evasion, which are two sides of the same currency that fight against each other in this regard.

##### **V-1- Types of administrative and financial corruption that tax transparency fight against:**

It combats tax transparency in the first place, and in particular, administrative and financial corruption. However, this role is not related to tax evasion and customs evasion. It includes all administrative and financial corruption, and this is due to the specificity of the role of tax transparency, which focuses on combating all:

##### **-tax evasion:**

It is an illegal behavior in which a taxpayer defrauds the laws in order to not pay the amount of the tax owed by him in full or to pay a value less than the amount owed by him during a specified financial period. And in the following we will present the definition of this phenomenon. Muhammad Abu Nassar and others defined it as: “The taxpayer undertakes some acts and actions that violate the law, which would reduce the amount of tax due on him” (Abu Nassar and others, 2013).

##### **-Customs evasion:**

Customs evasion is another result of corruption, which is very similar to tax evasion that is general on all taxable activities. Whoever pays the customs tax, may go to what is more dangerous than that, by allowing and ignoring the smuggling of wealth and legal and illegal means. The national economy moves abroad without supervision or accountability or allows the entry of goods that threaten the national economy in legal and illegal ways and means (Atir and others, 2013).

##### **V-2 -The effects of tax and customs evasion on economic development:**

These (negative) effects can be summarized in several points (Atir et al, 2013).

The decrease in the volume of public revenues that the state derives from taxpayers, which leads to a reduction in the investments it implements as well as the expenditures, which leads to a reduction in the national income and obstructs the state’s economic plans;

-Raising the price of the imposed tax and imposing new taxes to compensate public revenues for the shortfall that occurred as a result of tax and customs evasion;

-The government is forced to pay the resulting deficit due to evasion by resorting to internal and external loans, and this may put it in a dilemma of not being able to repay the interest on loans within the specified deadlines.

-The lack of tax justice, so that the payment of the tax is limited to a section of the taxpayers without the other as a result of their resorting to evasion of payment;

-The deterioration of the moral aspect of corruption, dishonesty, and duty, which presents generations who practice fraud, fraud, manipulation of laws, and spreading corruption in society;

**VII-Method and tools:**

**VII-1- Preview and methodology**

The study was conducted on a sample of employees of the tax center in Laghouat, and a random sample of 47 workers was selected, according to the retrieved questionnaires. After descriptive analysis of the sample members, it was found that (27.7%) of the study sample were males (72.3%).

We also find that the age group (from 31 to 40 years) is the most frequent with a rate of 55.3%, while the group with the lowest rate of 14.9% is the category (30 years or less), while the rate was 29.8% for an age group (41 to 50 years old)

We also note that the educational level that dominated the statistical sample members is university level (61.7%), so both secondary and post-graduation levels get (19.1%), and this indicates that the tax center possesses the capabilities and educational qualifications required for work.

It is also clear that the most frequent category in terms of years of service is (more than 10 years) with a rate of 46.8%, and the least frequent category is (less than 5 years) with 14.9%.

While the social status of employees was characterized by a greater percentage of the category (married ) with 72.3%, while the percentage of (singles) was followed by 23.4%, and the categories of widows and divorced were equal at 01%.

The questionnaire distributed to the sample in its first part included personal data such as gender, age, educational level, years of service, and status, while the second part, which was inspired by this scale from Bouziane’s study (2016) included the study variables (the scale) through which it was measured The opinions of the study members contain the independent variables represented in the dimensions of the factors of administrative corruption, which are, respectively:

A variable of administrative and legal reasons from the phrase (1-10), a variable of social and cultural reasons from the phrase (11-18), a variable of political and economic reasons from the phrase (19-25), a variable of external reasons from the phrase (26-28), as well as on The dependent variable represented in the areas of economic development from the phrase (29-43).

**VII-2- Study tool stability test**

The stability of the study tool means the ability of the tool to remain constant over time for the same respondent or to measure a specific trait or concept in a consistent measure in different circumstances (Abu Saree, 2004), Cronbach's Alpha coefficient was used using the SPSS 19.0 program, and the following table shows the results obtained.

**Table n°1: Shows the Cronbach alpha coefficient**

variable	Number of paragraphs	The value of the Cronbach alpha coefficient
the scale	42	0.840

**Source:** Prepared by the researchers in light of the results of SPSS.19

It is noted from the above table that the total coefficient of "Cronbach alpha " is equal to 0.840, and therefore the measurement tool has strong stability, which is a good parameter that allows analysis. It means that the questionnaire can be relied upon in measuring the studied variables due to its ability to give results consistent with the answers of the respondents over time, and thus the possibility of generalizing the results of the questionnaire conservatively to the study population, i.e. the tax center in Laghouat.

**VII 3-Presentation and interpretation of the study results**

The results obtained in this study will be presented and interpreted through:

- Presentation of the results of the study;
- Hypothesis testing and interpretation;



**VII-3-1 the results of the study**

**The direction of the phrases for the first axis (administrative and legal reasons).**

**Table n°2: The trend of the respondent's answers to the first axis statements**

<b>Sentence</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>Direction</b>
There are loopholes in laws, such as regulations, such as instructions, that are being used by the corrupt.	4.15	0.722	Agree
the double standard in the application of legal texts as many interpretations.	3.89	0.983	Agree
Regulations such as legislation do not address some types of administrative corruption.	3.60	0.970	Agree
A large number of regulations such as procedures, and the lack of application of the sanctions regime.	3.68	1.144	Agree
Central in making decisions.	3.70	1.041	Agree
Poor management and poor organization.	3.66	1.128	Agree
Weakness of administrative oversight and the multiplicity of its organs, such as the absence of transparency and accountability of administrative processes.	3.89	0.866	Agree
Many formal and informal administrative procedures and restrictions.	3.66	1.166	Agree
The relative immunity enjoyed by officials as they hold office for an extended period.	3.72	1.174	Agree
Failure to take the rule of placing a man in the right place.	4.17	1.129	Agree
Average of the first axis phrases	3.8128	0.59805	Agree

**Source:** Prepared by the researchers in light of the results of SPSS.19

The respondents' answers express many statements whose arithmetic mean ranged between 3.60 and 4.17 and standard deviations between 0.599 and 1.17 to show consistency in those answers, which reflects a high degree of agreement among the sample members on the existence of this dimension.

**VII-2-1-3- The direction of phrases for the second axis (social and cultural reasons)**

**Table n°3: The trend of the respondent's answers to the second axis phrases**

<b>Sentence</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>Direction</b>
Weak religious scruples such as family and school upbringing.	3.81	0.947	Agree
The spread of corrupt values in society such as racism, regionalism, and the spread of a culture of administrative corruption.	3.89	1.184	Agree
Increasing population numbers, such as the number of family members, and scarce resources, not renewing and developing them.	3.28	1.174	Agree
Getting used to crimes of administrative corruption.	3.55	1.100	Agree
The prevalence of manifestations of luxury among	3.51	1.040	Agree

certain segments leads to a change in social values and habits, the emergence of new consumption habits, and manifestations of excessive spending.			
The negative impact of cultural openness, love of pretending, and inherited tradition.	3.60	0.993	Agree
Media shortcomings in educating individuals about the damages and forms of administrative corruption.	3.68	1.024	Agree
Enjoy the exercise of power and influence.	3.96	0.955	Agree
The average of the third-axis phrases	3.659	0.65197	Agree

**Source:** Prepared by the researchers in light of the results of SPSS.19

The respondents' answers express many statements whose arithmetic mean ranged between 3.28 and 3.96 and standard deviations between 0.94 and 1.18 to show consistency in those answers. The majority of the sample indicated their approval of the dimension, and the arithmetic mean of the answers for this statement was 3.65 with a small standard deviation of 0.65.

**VII-3-1-3- The direction of phrases for the third axis (political and economic reasons)**

**Table n°4: Trend of respondents' answers to the third axis statements**

Sentence	Mean	Standard Deviation	Direction
Low salaries and wages and scarcity of livelihood resources in comparison to the many and constantly evolving needs of individuals.	3.89	1.165	Agree
The high cost of living and widespread poverty and unemployment among members of society.	3.96	0.999	Agree
The weight of loans and debts and the spread of new consumption patterns are alien to the culture of society.	3.60	1.035	Agree
Material greed, economic crises, natural disasters, and wars.	3.72	0.949	Agree
leniency with some perpetrators of administrative corruption crimes.	4.00	0.978	Agree
Protection and cover-up of spoilers by senior officials.	3.83	0.963	Agree
The average of the third axis phrases.	3.8511	0.59572	Agree

**Source:** Prepared by the researchers in light of the results of SPSS.19

We note from Table 4. The arithmetic mean of the answers was 3.85, with a standard deviation of 0.59. According to the study scale, this axis indicates a high acceptance rate.

**VII-4-1-3 The direction of the phrases Fourth axis (external reasons)**

**Table n°5: Towards the answers of the sample members to the statements of the fourth axis**

Sentence	Mean	Standard Deviation	Direction
The activity of multinational companies and the influx of foreign workers	3.19	1.035	neutral
Foreign aid and loans granted to developing countries by international bodies and institutions	3.23	1.026	neutral
Organized crime gang activity	3.42	0.994	Agree
The average of the fourth-axis phrases	3.283	0.69149	neutral

**Source:** Prepared by the researchers in light of the results of SPSS.19

We note from Table 5. The arithmetic mean of the answers was 3.28, with a standard deviation of 0.69, and according to the study scale, this axis indicates a high acceptance rate.

**VII-5-1-3- The direction of the phrases for the fifth axis (areas of economic development)**

**Table n°5: The trend of the respondent's answers to the fifth axis phrases**

<b>Sentence</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>Direction</b>
impeding the course of economic development.	3.74	0.846	Agree
Low economic growth and low investment rates.	3.87	0.824	Agree
Increasing poverty and poor income distribution.	3.74	0.988	Agree
Increased government spending and decreased state revenue.	3.79	0.832	Agree
Increased rates of inflation and unemployment.	3.77	1.068	Agree
High investment costs and low levels of production and productivity.	3.66	1.006	Agree
Corruption of the ethical behavior of employees and the imbalance of social and cultural values in society.	3.45	1.157	Agree
compromising security and public health and increasing crime rates.	3.45	0.904	Agree
Low level of education and learning among individuals and the spread of ignorance and illiteracy.	3.79	0.999	Agree
Imbalance of the principle of social justice and equality, poor distribution of national income, and the spread of class among members of society.	3.81	0.947	Agree
The reluctance of talented people, weakens their positions and positions and increases the brain drain and talents abroad.	4.02	0.944	Agree
Spreading the spirit of despair among the members of society	3.74	1.031	Agree
Spreading a culture of corruption	3.64	1.072	Agree
Political instability and the emergence of signs of political conflicts.	3.68	1.086	Agree
The spread of crime and the emergence of organized crime gangs and criminal gangs and organizations.	3.47	1.080	Agree
Average Fifth Axis Phrases.	3.707	0.6096	Agree

**Source:** Prepared by the researchers in light of the results of SPSS.19

We note from Table 6. that the arithmetic mean of the answers was 3.70, with a standard deviation of 0.56, and according to the study scale, this axis indicates a high acceptance rate.

**VII-2-3- Study hypotheses and their interpretation**

To ensure the validity of the main hypothesis that there is a direct statistically significant relationship between the causes of administrative corruption and the areas of economic development in the tax center in Laghouat at a significant level ( $0.05\alpha\leq$ ), the following sub-hypotheses must be tested and validated.

The multiple linear regression model was used to test the hypotheses between each of the independent variables consisting of the elements of the causes of administrative corruption and the dependent variable in the areas of economic development, and Table No. (07) shows the results:

**Table n°7: Testing the hypotheses of the study**

Dimensions of the independent variable	dependent variable	R	Sig	relationship model
Administrative and legal	areas of economic development	0.64	0.552	0.86 (administrative and legal) + 0.491 (cultural and social) + 0.99 (cultural and social) + 0.243 (external) = causes of administrative corruption
cultural and social			0.003	
cultural and social			0.535	
external Reasons for administrative corruption			0.010	
			0.000	

Source: Prepared by the researchers in light of the results of SPSS.19

:(\*)indicates that the relationship is statistically significant at the level of significance (5%).

The coefficient of determination expresses the amount of change in the areas of economic development caused by the independent variable (one of the causes of administrative corruption).

From Table No. (07), we conclude the following:

The coefficient of determination

As we have already known the coefficient of determination, the coefficient of determination in this study is equal to 0.64%, which means that 0.64% of the change in the areas of economic development comes from the change in the dimensions of the causes of administrative corruption, and 0.36% is due to other internal or external factors.

We note that (Sig= 0.000 ≤ 0.05) and therefore we accept the hypothesis as there is a statistically significant effect of the factors of administrative corruption on the areas of economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

**The sub-hypotheses are as follows:**

**The first sub-hypothesis:**

**H<sub>0</sub>:** There is a statistically significant effect of administrative and legal factors on economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

**H<sub>1</sub>:** There is no statistically significant effect of the administrative and legal factors on economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

We note that (Sig = 0.552 ≤ 0.05), and therefore we reject the hypothesis, then there is **no statistically significant** effect between administrative and legal factors on the areas of economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

**The second sub-hypothesis:**

**H<sub>0</sub>:** There is a statistically significant effect of social and cultural factors on economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

**H<sub>1</sub>:** There is no statistically significant effect of social and cultural factors on economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

We note that (**Sig = 0.003 ≤ 0.05**), and therefore we accept the hypothesis if there is a statistically significant effect of socio-cultural factors on the areas of economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

**The third sub-hypothesis:**

**H<sub>0</sub>:** There is a statistically significant impact of political and economic factors on economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

**H<sub>1</sub>:** There is no statistically significant effect of political and economic factors on economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

We note that (**Sig = 0.535 ≤ 0.05**), and therefore we reject the hypothesis. There is no statistically significant effect of political and economic factors on economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

**Fourth sub-hypothesis:**

**H<sub>0</sub>:** There is a statistically significant effect of the external factors on economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

**H<sub>1</sub>:** There is no statistically significant effect of the external factors on the areas of economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

We note that (**Sig = 0.010 ≤ 0.05**), and therefore we accept the hypothesis if there is a statistically significant effect of the external factors on the areas of economic development from the point of view of tax collectors in Laghouat at the level of significance  $\alpha = 5\%$ .

**Discussion:**

Administrative corruption is a complex multifaceted social phenomenon with countless manifestations. It occurs as a result of deficiencies in the existing public administration organs and systems as well as cultural, economic, political, and social factors. There are still differences of opinion about the meaning of the term corruption. This is primarily because individuals view administrative corruption from their own points of view influenced by the surrounding environment.

What is gratifying, however, is that in recent years corruption is viewed from a much broader perspective rather than only from an ethical and functional angle. The causes of administrative corruption are as diverse as the phenomenon itself. Corruption results from many factors contributing to administrative corruption.

These results are diversely supported by previous studies. For example, as in the study (Adel, 2014), what has been proven conclusively is that corruption has negative consequences on economic development, administrative efficiency, and political development and this was also proven by the study (Tanzi, 1988), that checking administrative corruption is an explicit need for a world today.

At the same time, the complete elimination of administrative corruption is not possible, but this does not mean in any way that administrative corruption cannot be effectively contained and this is what was presented by the study (Al-Sheikh, 2007). On the other hand, the experience of Algeria

unambiguously proves that The political will and the establishment of appropriate mechanisms to combat corruption can be radically contained through the role of the National Authority for the Prevention and Control of Corruption and the Central Bureau in the field of anti-corruption. The study (Kim & Lee, 2011) found that administrative corruption reduces economic efficiency and has significant distributive consequences, as indicated by A study (Ben Azzouz, 2016) indicates the decline in most macroeconomic indicators in many countries (including Algeria), and the reason is due to the rampant phenomenon of corruption in the administration and the conduct of public affairs, and the evidence confirms that the adoption of transparency, accountability, freedom of expression, the organization of legal institutions, and the transparency of community organization Civil society, in the conduct of public affairs, are elements that contribute to curbing the phenomenon of administrative corruption.

## Bibliography

1. Abu Saree' Rida Abdullah (2004). Data analysis using the SPSS program, *Dar Al-Fikr*, Jordan.
2. Adel Majid Al-Adly (2014), Corruption and its Impact on Economic Development, *Journal of Baghdad College of Economic Sciences*, (no42), 93-114.
3. Adnan Manati Saleh (2013), The Role of Foreign Direct Investment in the Economic Development of Developing Countries with Special Reference to the Chinese Experience, *Journal of Baghdad College of Economic Sciences*, University Conference Special Issue, 357-378.
4. Bardhan, P. (1997), Corruption and Development: A Review of Issues, *Journal of Economic Literature*, 35: 1320-1346.
5. Ben Azzouz Mohamed (2016). Administrative and Economic Corruption, Its Effects and Mechanisms to Fight against - The Case of Algeria -, *The Algerian Journal of Globalization and Economic Policies*, , (no7) , 197-219.
6. Bhattacharyya, Sambit and Hodler, Roland (2010) Natural Resources, Democracy and Corruption. *European Economic Review*, vol 54 , (no4), 608-621
7. Bouziane Rahmani Jamal (2016). Administrative corruption and its effects on economic development in the Arab world - a case study of Algeria - Ph.D. thesis in economic sciences, University of Chlef, Algeria.
8. John Mukum Mbaku( 1996),Bureaucratic Corruption in Africa: The Futility of Cleanups,*Cato Journal*, *Cato Institute*, vol16, (no1) , 99-118.
9. Khalid bin Abdul Rahman bin Hassan Al Sheikh (2007). Administrative Corruption: Patterns, Causes, and Ways to Fight against(Towards Building an Organizational Model), Ph.D. thesis in Security Sciences, *Naif Arab University for Security Sciences*, University in Riyadh, Saudi Arabia.
10. Lučić, Danilo, Mladen Radišić, dan Dušan Dobromirov. (2016). Causality between corruption and the level of GDP. *Economic Research-Ekonomska Istrazivanja*, vol29, (no1) , 360-379
11. Muhammad Abu Nassar, Mahfouz Al-Mashaaleh (2003), Firas Al-Shahwan, Taxes and Their Accounts between Theory and Practice, Jordan, *The National Library*.
12. Pellegrini, L. (2011) , Corruption, Development and the Environment, Berlin, *Springer*.
13. Samir Adel Hussein (2014), Administrative Corruption: Its Causes, Effects and Methods of Fighting against and the Role of International and Arab Organizations in Combating It (With Reference to the Experiences of Some Countries in Fighting against administrative Corruption), *Integrity and Transparency Journal for Research and Studies*, (no7) , 121-151.
14. Suleiman Ater, Nouredin Baeilish and Omar Al-Farouq Zarfoun (2013). The Role of Tax Transparency in Combating Administrative and Financial Corruption, *Qasdi Merbah Magazine*, 562-580.
15. Taher Al-Ghalbi and Saleh Al-Amiri (2010), Social Responsibility and Business Ethics, Jordan, *Wael House*.
16. Usman, S , .(2009)Corruption and Economic Growth in Nigeria , *Journal of Mpra Economic Freedom*, vol 13, , (no1) ,pp. 1- 20.
17. Vito Tanzi & Hamid Davoodi (1997). Corruption, Public Investment, and Growth , *International Monetary Fund Staff Papers*, vol 45 , (no3) , 1-23.
18. Vito Tanzi,( 1998). Corruption Around the World: Causes, Consequences, Scope, and Cures, *IMF Staff Papers*, *Palgrave Macmillan*, vol45, (no4) , 559-594.
19. Young Se Kim&Jong Won Lee(2011).Corruption and Government Roles: Causes, Economic Effects , and Scope, *Korea and the World Economy*, Vol12, (no3) , 513-553 .