

A LABORATORY EXPERIMENT FOR THE DETERMINATION AND DEVELOPMENT OF PUBLIC EXPENDITURE AWARENESS IN PRIMARY AND HIGH SCHOOL STUDENTS: THE CASE OF TRABZON PROVINCE

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Abstract

The provision of public expenditures by the state need tax revenue and collecting tax revenue is related to the ability of taxpayers to establish a financial connection. The financial connection is provided if the relationship between the expenditures made for society and the taxes that are the financing of these expenditures are established. According to this, in order to establish a financial connection should be above a certain level. In this context, the main subject of this study is the public expenditure awareness required for the establishment of a financial connection that could positively affect the views of primary and high school students on fiscal connection. The aim of the study is to identify and develop public expenditure awareness of primary and high school students. For this purpose, an experiment was conducted with 350 students. Before starting the experiment, a questionnaire was applied to measure the students' public expenditure awareness. During the process, an explanation was developed to improve public expenditure awareness, and students were actively involved in this process. When the process was completed, the questionnaires were re-filled. According to this, pre-test findings revealed that primary and high school students did not have public expenditure awareness. The results of the post test show that given a public explanation with a process to students are actively involved make an awareness of public expenditure. In addition, it was observed that financial connection could be ensured with the explanation process in which the students were included and thus tax compliance could be increased.

Keywords: Fiscal Awareness, Public Expenditure Awareness, Behavioral Public Finance, Tax Compliance

JEL Code: H2, H3, H4, I2.

1. Introduction

It is known that the fiscal connection in a country has a positive effect on tax compliance. So, there are studies for the establishment of fiscal connection taxpayers and future taxpayers, following the understanding of the importance of the establishment of fiscal connection in tax compliance.

Fiscal connection depend on tax awareness and public expenditure awareness. According to this tax awareness is a sub-branch of financial awareness, but it is not enough to increase tax compliance. In this context, efforts to identify and develop tax awareness remain insufficient to increase financial awareness. So this situation shows the importance of the determination and development of public expenditure awareness.

The aim of this study is to determine the public expenditure awareness of primary and high school students and to make suggestions for its' improvement. The study included primary and

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high school students in Trabzon. In this context, an experiment was designed to measure the public expenditure awareness of the students. There is an open-ended question was addressed to students before and after the experiment.

In the study, firstly, conceptions of financial connection, financial awareness and public expenditure concept were given, followed by the related literature review. Secondly, the method and findings of the study were included and recommendations were made.

2. Financial Awareness, Public Expenditure Awareness: Conceptual Framework

The financial connection is the establishment of the relationship between the expenditures on society and the taxes that are the financing of these expenditures. In order to establish a financial connection, fiscal awareness, in other words, tax and public expenditure awareness should be above a certain level. In this context public expenditure awareness can be defined as the fact that taxpayers have information about public expenditures and at the same time they know that these expenditures are expenditures made according to the needs of the society.

2.1. Literature

Behaviors of individuals; perception-attitude-behavior occurs in the hierarchy. According to this the public expenditure awareness of taxpayers will start with the perception of public expenditure.

Primary and high school students made for the determination of the tax awareness questionnaire and interview studies evaluated for Turkey; it is seen that some of the students stated that taxes were paid in return for public goods and services (Sağbaşı and Başoğlu, 2005: 132; Demir and Cigerci, 2016: 134; Karaot, 2010: 75; Taytak, 2010: 506; Zorlu, 2012: 66; Çelik ve Eroğlu, 2014: 312; Karaca, 2015: 61). In this context, it can be said that some of the students know that they have information about public goods and services and tax is paid in return for these services.

How, where and how much collected tax revenues are spent that affects tax compliance of taxpayers. In this context, it was observed that the students did not fulfill their tax liabilities with the taxpayers thought that “taxes are not spent in the right places” (Sağbaşı and Başoğlu, 2005: 138; Karaot, 2010: 90; Çelik & Eroğlu, 2014: 311). According to these studies, it can be said that some of the students who participated in the survey and interview study can establish a financial connection.

2.2. Method

The experiment measure and improve the public expenditure awareness of primary and high school students. The aim of this study is to determine the public expenditure awareness of primary and high school students and to increase them after. In order to realize this aim, a questionnaire form, which is supposed to determine the public expenditure awareness of the students, has been formed. In the questionnaire, open-ended question about public expenditure awareness were asked.

After the questionnaire form was formed, the necessary permissions were obtained from the provincial national education directorate and provincial governor. Then, the elementary and high school students, 350 students include experiment that it take 25-20 min. The experiment was carried out with pre-test and post-test.

It is known that both the family-social environment and the education they receive at school are important in the education and development of students. In this context, the fact that the experiment provided access to all student groups affected by these two factors. In this way, this experiment is aimed at ensuring participation from many schools and students; it allows the elimination of the differences that may arise from the schools and the family-social environment, and thus to provide generalizable results with the experiment, varying in the range of 25-30 minutes. So this study used the sample group was not found until now. The place where the experiment is applied, the sample group and the aim of the students to measure public expenditure awareness are the original values of this study.

Measure and improve public expenditure awareness; a carpet reflecting the description of a modern city was used. According to the functional classification for use in the explanations process, symbols that can represent public expenditures are kept in a corner ready for use in return for collected taxes.

The experimental groups were composed of middle school students and high school students. The reason for the separation of groups in this way; try more simple application of middle school students. For this simplified narrative, the tax administration of the Presidency of Revenue Administration was benefited from the contents of secondary and high schools (GİB, 2007, <http://f.eba.gov.tr/gib/>). Following the completion of the survey, students were asked to gather around the carpet. Then the students were asked which Job they wanted to be when they grew up. Assuming that they grew in line with their answers, they were paid in accordance with the profession they wanted to do with the money symbols.

Tax and public expenditures are generally addressed to students and questions about what the community may need to spend. For example, if there is a problem in a relationship between the doctor and the patient, the question is asked where the parties should apply. It was then decided as a group that a security and a judiciary was needed to solve the problem. In this way, students are informed about which expenditures occur in case of a social need and which expenditures are included in the expenditure item according to the functional classification. In order to build a courthouse after the decision in question, some of the salaries given to the students were asked to give to the state as tax. After the taxes were collected, a symbolic courthouse was placed on the carpet in a predetermined place. Thus, according to the functional classification of public expenditures, a need has been created for each of the expenditure items and tax is requested in return. In this context, it was ensured that the public expenditures of the students, the reasons why the taxes were necessary and important, were included in the process and the students were able to make a financial connection. When this explanations process was completed, the students were asked to re-fill the questionnaire and the experiment was terminated.

2.3. Findings and Evaluation

In order to measure and improve students' public expenditure awareness, the questionnaire includes open-ended question that "What do you think is public expenditure?. According to this, pre-test and post-test findings are as follows.

Pre-test findings of secondary school students show that they identify public expenditures as "money paid by people", "invoice", "money paid to state", "spent money". Pre-test findings of high school students show that they identify public expenditures as "common expenditure", "wages

contributing to the public budget “, “work against taxes”, “general expenditure of government offices”, “an obstacle in front of the private sector“, “education, health, infrastructure and bridge expenditures“, “expenditure on state interests“, and “equal to tax”.

According to the pre-test results of secondary school students, it can be said that students do not have public awareness. According to the pre-test results of high school students, it can be said that students’ public expenditure awareness is in part. High school students’ public expenditure awareness is partly due to their age and education level, and high-talented high school students.

According to the post test of the secondary school students, they describe public expenditures in general; It was seen that “the expenditures made to meet the needs of the people”, “the expenditures made for us by the state that we can not do alone”, “the expenditures made by the state to do what is useful to us”, and “the expenditures made by the state institutions for our needs”. At the end of the experiment, it can be said that each of the participants in the secondary school group has a correct definition of public expenditure.

According to the post test results of the high school students, they describe public expenditures in general; “state expenditure for us”, “the expenditure on the benefit of the state; public order, environment, health, education, outreach, culture, infrastructure and housing”, “expenditure for the welfare of the community”, and “expenditure for living in higher quality and at peace”. At the end of the experiment, it can be said that each of the high school group participants has a correct definition of public expenditures.

When the pre-test and post-test findings were evaluated together; It can be said that the students have no awareness of public expenditures and the public expenditure awareness of all the participants increased as a result of the explanations provided with the experiment. In this case, taxpayers who are very difficult to change their current tax habits, can be said to have tax awareness as well as public expenditure awareness and taxpayers who can financially establish long term financial awareness.

3. Conclusion

In order to increase tax compliance there is a need for the establishment of the financial connection the financial awareness for the establishment of the financial connection and the awareness of tax and public expenditure for the formation of financial awareness. This study was prepared for the purpose of determining and improving public expenditure awareness to increase tax compliance of future taxpayers. In this context, an experiment was conducted. The pre-test and post-test questionnaire method was used to determine the public expenditure awareness of the students and then to make suggestions for the improvement of their awareness.

Before and after the experiment, the question of Public Expenditure is asked to the students in order to determine the awareness of public expenditure. According to this, it was determined that the students had no awareness of public expenditure before the experiment and that after the experiment, each of the students who participated in the experiment had a awareness of public expenditure and could establish a financial connection. Thus, it can be seen that the method used in the study may be successful in increasing tax compliance of future taxpayers.

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