

NEXUS BETWEEN CORRUPTION AND SMUGGLING: COMPARATIVE ANALYSIS AMONG EAST EUROPE COUNTRIES

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ABSTRACT

Corruption reduces tax revenues because it undermines the government's ability to collect taxes and has a negative impact on the overall economic development of the country, foreign direct investment and investment in general. One of the main reasons for the rooting of corruption is the low salaries of officials, so the most common form of corruption is among officials - taking bribes. Scientific literature suggests that cigarette smuggling is due to corruption, but corruption has a greater negative impact on the country's well-being than cigarette smuggling. Citizens attitudes and tolerance in cases of corruption and cigarette smuggling can be one of the major obstacles to combating these phenomena, therefore the main purpose of the article is to understand how Eastern European citizens value the interaction between corruption and cigarette smuggling. In the article is used a representative quantitative method of questionnaire, when interviewing the population of Ukraine and Moldova. The conclusions provide an answer to confirm or refute the five hypotheses that were raised.

Keywords: Corruption, Cigarette smuggling, Consumer's attitude, Moldova, Ukraine.

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