

**FINANCING AUSTRALIA:  
A 'POST-MODERN' APPROACH TO  
TAX COMPLIANCE AND  
TAX RESEARCH**

*Kersty Hobson*



The Australian National University  
Australian Taxation Office

**Centre for Tax System Integrity**



**WORKING PAPER No 36**

*August 2002*

**FINANCING AUSTRALIA:  
A 'POST-MODERN' APPROACH TO  
TAX COMPLIANCE AND  
TAX RESEARCH**

*Kersty Hobson*

SERIES EDITOR

*Karen Byng*

Centre for Tax System Integrity  
Research School of Social Sciences  
Australian National University  
Canberra, ACT, 0200

ISBN 0 642 76835 8

ISSN 1444-8211

**WORKING PAPER No 36**  
*August 2002*

© *Centre for Tax System Integrity, Research School of Social Sciences,  
Australian National University 2002*

© *Commonwealth of Australia 2002*

*National Library of Australia*  
Cataloguing-in-Publication data:

Hobson, Kersty, 1971-  
Financing Australia: A 'post-modern' approach to tax  
compliance and tax research.

Bibliography.  
ISBN 0 642 76835 8.

1. Taxpayer compliance - Australia. 2. Taxation - Research  
- Australia. I. Centre for Tax System Integrity. II.  
Title. (Series: Working paper (Centre for Tax System  
Integrity); no. 36).

336.2910994

*If you would like to make any comments on this working paper please contact the author  
directly within 90 days of publication.*

## **Disclaimer**

This article has been written as part of a series of publications issued from the Centre for Tax System Integrity. The views contained in this article are representative of the author only. The publishing of this article does not constitute an endorsement of or any other expression of opinion by the Australian National University or the Commissioner of Taxation of the author's opinion. The Australian National University and the Commissioner of Taxation do not accept any loss, damage or injury howsoever arising that may result from this article. This article does not constitute a public or private ruling within the meaning of the *Taxation Administration Act 1953*, nor is it an advance opinion of the Commissioner of Taxation.

## **THE CENTRE FOR TAX SYSTEM INTEGRITY WORKING PAPERS**

The Centre for Tax System Integrity (CTSI) is a specialised research unit set up as a partnership between the Australian National University (ANU) and the Australian Taxation Office (Tax Office) to extend our understanding of how and why cooperation and contestation occur within the tax system.

This series of working papers is designed to bring the research of the Centre for Tax System Integrity to as wide an audience as possible and to promote discussion among researchers, academics and practitioners both nationally and internationally on taxation compliance.

The working papers are selected with three criteria in mind: (1) to share knowledge, experience and preliminary findings from research projects; (2) to provide an outlet for policy focused research and discussion papers; and (3) to give ready access to previews of papers destined for publication in academic journals, edited collections, or research monographs.

*Series Editor:*  
*Karen Byng*

## **Abstract**

Promoting compliance is at the heart of Australia's tax regime management. Many factors affect compliance levels and practices, which can be grouped as individual, political, economic and social factors, set within the contextual facets of 'globalisation'. How these affective factors are epistemologically framed should also be considered central to tax compliance and its research. This paper departs from prevailing positivist approaches, arguing there is now room in compliance research to take a more 'post-modern' perspective. This is possible on two fronts. First, there are new compliance tools, such as the Australian Tax Office's Compliance Model (ATO Compliance Model), that embraces some of the tenets of modern social theory by encouraging dialogue, empathy and positive change. Second, qualitative research methods present grounded, in-depth and positioned research, and are able to locate 'intangibilities' missing from other research perspectives. Drawing these two strands together, this paper discusses qualitative research carried out into the experiences and perceptions of the ATO Compliance Model 'champions' in the Australian Taxation Office. It illustrates how effective both the ATO Compliance Model is in promoting deep-seated attitudinal and practice change in champions, and also how qualitative methods can look 'below the line' of usual compliance markers to grasp the subtleties of change. In sum, this paper argues that a 'post-modern' approach does indeed have a place in tax research today.

## ***Financing Australia: A 'post-modern' approach to tax compliance and tax research***

*Kersty Hobson*

### **Introduction**

In a recent paper that outlines possible avenues for future tax research, Tomkins, Packman, Russell & Colville (2001, p. 751) argue that 'effective tax regime management lies at the heart of public spending policies'. The rationale behind this assertion is obvious—if revenue for public spending is not collected efficiently and sustainably, public policy initiatives will not be well financed. The authors go on to point out that, to date, much tax research has considered tax system management to be about the administration of high-level fiscal policies (see also Brewer, 2001). However, they argue, tax system management concerns a much broader range of concerns. For one, it concerns the creation and maintenance of compliant behaviour amongst individuals and groups within a tax system. And as such, this area of research is sorely lacking in fresh insight.

Yet, the topic of compliance underpins the work of the Centre for Tax System Integrity (CTSI) at the Australian National University. CTSI was established in August 1999 as a research partnership between the Australian National University and the Australian Taxation Office (Tax Office). It aims to understand how and why cooperation and contestation occurs within the tax system by examining the values, attitudes and behaviours of tax officers, taxpayers, tax agents and beneficiaries of the tax system. With the overall goal of improving the integrity of the tax system, questions of compliance management strategies and processes are central.

This paper reports on one small part of CTSI's compliance research, focussing specifically on the Australian Taxation Office Compliance Model (ATO Compliance Model) developed in conjunction with the Tax Office and 'rolled out' through the organisation since 1998 (see Australian Tax Office, 1998). This Model aims to increase the incidence of compliant tax practices in the Australian public by encouraging the Tax Office to rethink its products and processes. Through examining central tenets of the ATO Compliance Model, and using some contemporary social theory to analyse research findings, this paper

presents a way of thinking about tax compliance that challenges some of the prevailing epistemological norms and assumptions often made in tax research in reference to how we understand and promote tax compliance. In short, it argues that by examining initiatives such as the ATO Compliance Model from a more ‘post-modern’ perspective, a fresh contribution can be made to researching tax systems, tax administration and taxpayer behaviour.

### **Tax Compliance: Why is it important and what factors help shape it?**

Few arenas of modern governance impose more difficult problems of trust than the collection of income taxes. The incentives to cheat on taxes are immediate, concrete, and potentially quite large, while the public goods produced from tax revenues provide diffuse benefits that are often difficult to evaluate and are available whether or not one pays taxes (Scholz, 1998, p. 139).

In Australia, the majority of tax revenue is individual income tax. This is assessed annually when individuals lodge a statement of earnings in the form of an annual income tax return. As reporting is voluntary, individual tax compliance is a pressing fiscal and political issue, as the above quote suggests. Although estimates of how much is lost per annum in non-compliant behaviour are broad at best (see Wickerson, 1994), there is deemed to be a significant amount missing from the ‘public purse’ (for example, Blumenthal, Christian & Slemrod, 2001). It appears that everyone wants good schools, roads and hospitals, yet many individuals and businesses—either through intentional and direct evasion in the form of ‘creative compliance’ (McBarnet, 2001) or because of inadequate information—are not putting their ‘fair share’ into this purse.

This is not a new problem. As long as there have been tax systems to finance state policies, tax compliance and evasion has been a public fiscal issue (Smith, 1993). However, it is arguable that today there exist specific social, political and economic conditions that make compliance management a more pressing concern. Returning to Tomkins et al., (2001), they outline some contemporary factors that may shape and impact upon individual and business compliance behaviour, which are most relevant to countries with market economies and pluralistic democracies.

For one, there are political factors. These include the influence of government, such as the current neo-liberal administrations of Australia, the US and UK, where cuts in public sector spending now mean government departments are 'doing more with less' dollars or pounds (for example, Jenkins, 1995; Haylett, 2001). This can result in systems of tax evasion monitoring, with tax offices themselves becoming under-funded, making it even harder to administer complex tax laws. Such ideological and fiscal trends are viewed as part of 'globalisation', a hotly debated phenomenon that has complex and far-reaching implications for future modes of effective national governance (Peters & Pierre, 1998; see also Karkkainen, Fung & Sabel, 2000). This trend includes increased international trade and subsequent changes in business structures and processes, ushered in by advanced technological systems such as e-commerce. Together, these are arguably causing rapid change to international business governance structures and practices (Watanabe, 2000)<sup>1</sup>.

Tomkins et al., (2001, p. 754) also state that 'social factors' feed into higher levels of non-compliance, as 'increased globalisation can only add to the temptation to act unethically'. This assertion is made mainly from a business perspective, where, as stated above, access to international market and tax-minimising investment opportunities may promote a 'culture' of, and more opportunities for, tax evasion. What about the individual? How do 'social factors' relate to us all and how do they affect personal compliance behaviour? In light of these questions, there is a need to look more closely at how contemporary social factors may affect tax compliance. In Australia for example, research has outlined how many individuals report feeling that social conditions are rapidly changing for the worse. There is evidence of declining public confidence in government (Ryan, 2001), along with feelings that quality of life is decreasing (Eckersley, 2001). There is also a creeping political cynicism that sees tax as a political 'football' (Randall, 2001) to which individuals express feelings of ambiguous commitment (Braithwaite, Reinhart, Mearns & Graham, 2001). In this climate, asking questions about individual tax compliance from a social perspective is timely. This paper thus examines some potential approaches to this task,

---

<sup>1</sup> See also Nash (2000) for theoretical discussion; Welch & Wong (2001) for an international comparative administration perspective; and Coleman & Freeman (1997) for an Australian Small Business perspective.



considering ways that effective social factors can be framed and can inform approaches to tax compliance.

### **Researching tax compliance: Time for a new approach?**

There is no doubt that we live in a world very different from 50, even 20 years ago. A vast literature now exists on the phenomenon of globalisation, whereby technology has made the world a smaller, more accessible and information-rich place (for some people). Discussing the characteristics and competing definitions of globalisation and recent socio-structural changes is beyond the ambit of this paper (see Nash, 2000), yet it is important to note that it is often differentially framed as an economic, ideological or social/cultural phenomenon. These differences are not trivial. They represent a range of theoretical ‘tool-kits’ that can be used when considering how current social factors feed into compliance behaviour.

For example, the majority of tax compliance research to date has been conducted using positivist epistemologies of social psychology, economics (Kirchler & Maciejovsky, 2001; Schmidt, 2001; Webley, Cole & Eidjar, 2001) and law (Cooper & Cunliffe, 2001; Pagone, 2000, 2001). This work might frame globalisation as offering increased opportunities for individuals and businesses to ‘cheat’ in social dilemma scenarios. Or, it might examine how individual’s personality variables correlate with global social factors that shape compliance behaviour. Although in total this approach presents a body of work that is vast and impressive in scope and findings, it has its limitations. For one, correlating personality or social variables with individual (non) compliance often provides little information about cause and effect, and links between these variables (Taylor, 2001). Also, treating human behaviour as a mathematically predictable entity has severe limitations (Visser, 2000). For instance, the assertion that individuals are utility maximising actors located within determinant social and organisational structures (for example, Brewer, 2001; Sanyal, Gang & Goswami, 2000; Vehron & Brondolo, 1999)—one of the theoretical linchpins of economic theory—has increasingly been criticised as an unproductive research heuristic (Billig, 1987; Boden, 1994; Coleman & Freeman, 1997; Jones, 2001; Shotter, 1993).

What are the alternatives? Researchers working in the field of organisational change, public administration and social policy have called for the academy to adopt more critical approaches to research (Welford, 1998). They argue that prevailing epistemologies often replicate dominant forms of knowledge (Taylor, 1998; Welford, 1998) and power (Fox, 2000; Triantafillou & Nielsen, 2001), whose uncritical acceptance obscures key relations, networks and discourses from scrutiny. Heeding this call, this paper argues that taking a more socially embedded perspective on tax compliance opens up a research agenda that aims to interrogate the political and social dimensions of compliance behaviour. Often, research locates sites or levels of non-compliance, such as within a particular group or in a population as a whole, and looks at how public or private factors might feed into this behaviour (for example, Australian Taxation Office, 1998; Cuccia & Carnes, 2001). By contrast, critical social research takes the individual and their sociality as the starting point of research. Through examining the social processes that form and maintain individual practices, one of which is tax compliance behaviour. As Coleman and Freeman (1997, p. 318) put it:

A behavioural approach looks at the individual as a whole person operating in a specific environment, not just a (small business) taxpayer who is engaging in non-compliant behaviour, quietly maximising personal advantage and indifferent to the meanings of age, gender, class, lifestyle, time and place.

Although the relationship between critical social theory and the day-to-day administration of a tax system may seem incongruous, on closer inspection it appears that they have a lot to offer each other (see Taylor, 1998). First, by taking a more agency-focussed perspective on regulation, the ATO Compliance Model will be shown here to have a great deal in common with some of the central tenets of modern social theory. In this way, the ATO Compliance Model can be viewed as a ‘post-modern’ regulatory tool. Second, through employing some of the heuristic tools and research methods of contemporary social research, a particular story can be told about how initiatives such as the ATO Compliance Model work, both within the Tax Office and within some part of the Australian taxpaying population. As such, this provides evidence and verification that approaches to regulation such as the ATO Compliance Model have a legitimate place in a suite of tax compliance approaches.

## **The ATO Compliance Model: a way of understanding and improving tax regime management**

It is by no means the case that simply ‘more audits’ will be the appropriate initiative by the ATO for improving compliance over the long-term. Instead ... the appropriate main response might well be some form of taxpayer education (Wickerson, 1994, p. 23).

Since its inception, the Tax Office has predominantly been an organisation with an ethos of command and control. This is not surprising, as the public service is institutionally risk-averse, being subject to many checks and balances and also to politician’s watchful gazes (see Williams, 2001). Yet, it is not a static organisation. Like most public service departments its administrative rationale has been exposed over the decades to the whims of fluctuating political ideology. For example, the neo-liberal marketisation of the public sector and construction of ‘citizens as consumers’ in the 1980s and 1990s brought with it vast organisation changes and a prevailing discourse of service and efficiency (Ryan, 2001; Jenkins, 1995). This discourse in turn has been partially eclipsed or amended by new or ‘third way’ forms of governance that emphasise partnership and cooperation (Ryan, 2001) wherein the ‘process is the product’ (Eckersley, 2001; Hubbard, 2001). Added to this, the ‘knowledge-society’ requires organisations to strive for improvement through constant innovation and learning via information sharing (Ali, 2001), producing a form of public administration that focuses on both efficiency and responsiveness (see Peters & Pierre, 1998; Welch & Wong, 2001 for further explanation)<sup>2</sup>.

This approach is partially reflected in the introduction of the Australian Taxation Office Taxpayers’ Charter and the Public Service Code of Conduct. Yet, the question still remains as to how the Tax Office is to work towards achieving greater tax compliance within these

---

<sup>2</sup> This has been labelled New Public Management (NPM). However, it should be noted that NPM does not present a unified form of administrative theory. Rather, it encapsulates a sweep of reforms that both free-up managers to act creatively whilst ‘corporatising’ public services and thus increasing the emphasis on efficiency and returns (see Nash, 2000, Peters & Pierre, 1998). Hence, there are implicit tensions within this administration diagnosis that straddle post-modernism to traditional Weberian forms of public bureaucracy. How these forces can exist side-by-side can perhaps be understood if we consider the sites of NPM. For example, one possible explanation of this tension is that this move from hierarchy to heterarchy is mainly an experience of management (for example, see Hinchliffe, 2000). By contrast, strong hierarchy and set procedures prevail for general staff, which appears to be the case in some business lines in reference to the Compliance Model, and has also been found in other research (for example, Hobson, 1999).

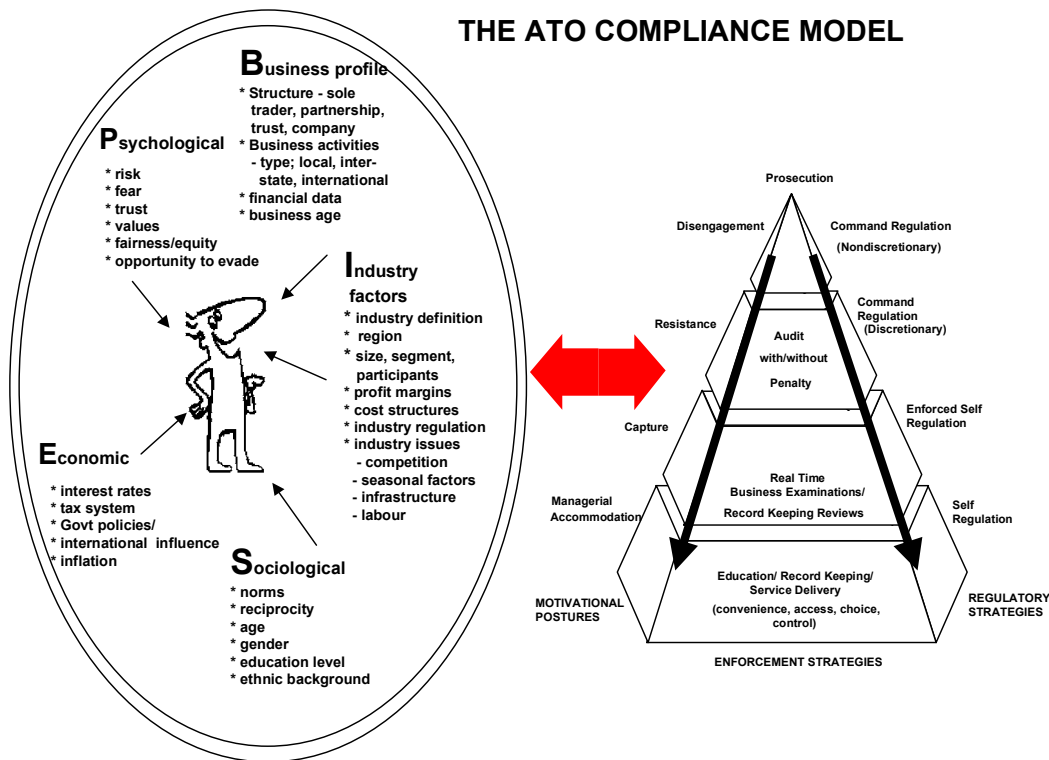
rapidly changing social and business climates. In line with Wickerson's above quote, researchers at the Australian National University argue that promoting tax compliance behaviour in Australia necessitates the Tax Office understanding the many factors that affect taxpayer behaviour. For one, there has to be a consideration of taxpayer motivations. Braithwaite (forthcoming) has labelled these 'motivational postures', which are the attitudes that individuals bring to interactions with the Tax Office, shaping how they react to, and interact with, the tax regime. These postures sit within a wide array of business, industry, social, economic and psychological (or 'BISEP') factors that mediate individual postures. Together, these factors and postures cannot be understood and addressed with a limited array of regime management tools. Instead, they require regulatory strategies that consist of an incremental set of sanctions, which take into account the individual's positioning in relation to tax.

Ayres and Braithwaite's (1992) pyramid of regulatory strategies suggests there are four forms of regulatory strategies—self-regulation, enforced self-regulation, command regulation with discretionary punishment, and command regulation with non-discretionary punishment. As any regulator's preferred strategy is individual self-regulation, it is argued that organisations such as the Tax Office would benefit from helping taxpayers form this type of practice. For example, rather than focussing on auditing and prosecution, the Tax Office should in the first instance focus on increasing voluntary compliance through education, convenience and efficient service delivery (Australian Taxation Office, 1998). This approach is pertinent as research is increasingly showing how prosecuting taxpayers or simply sending out terse letters does not substantially increase lodgment over time (Blumenthal et al., 2001; Levi, 1998; Wenzel, 2001).

Overall, this requires the Tax Office develop a more holistic approach to tax regime management (Ayres & Braithwaite, 1992; Levi, 1998), an argument which has been translated into the ATO Compliance Model, developed and adopted within the Tax Office in 1997 as part of a 'Cash Economy' project (see Shover, Job & Carroll, 2001 for further

history). Figure 1 outlines the ATO Compliance Model and illustrates how it combines the different motivational postures of taxpayers with potential regulatory and enforcement strategies by the Tax Office. The aim is to help Tax Office officers help taxpayers position themselves and stay at the bottom of the pyramid, without excluding the tools of prosecution and audit from the Tax Office tool-kit where appropriate.

This approach presents a significant departure for the Tax Office, in terms of its impacts on both their products and processes. First, a product is a good or service offered to a client (Damapour & Gopalakrishnan, 2001). To encourage greater compliance rather than promoting fear of getting caught out, Tax Office product emphasis is now on education and taxpayer skills rather than auditing. One example of this can be seen in the introduction of 'Real Time Reviews'. This is where tax officers examine taxpayer's personal or business records and activities in order to assess their book keeping skills and to educate individuals if there are any errors. Through this practice, tax officers are also able to gain further insight into taxpayers' circumstances and behaviour (see Shover et al., 2001), making it a two-way learning experience. Second, Tax Office processes are implicated, as the Model necessitates a change of attitude in terms of how Tax Office staff undertake their work and see their role in forwarding improved tax compliance. Tax officers are now called upon to think more broadly, being aware of how their professional behaviour and attitudes towards a client affects future compliance outcomes. In short, they have to begin to act from the belief that the majority of taxpayers want to do the 'right thing' and that a negative experience with the Tax Office might cause individuals to resent the Tax Office, doing all they can in the future to 'get even' (Coleman & Freeman, 1997). Providing help and understanding enables them to achieve the goals of increasing compliance and revenue.



**Figure 1: The ATO Compliance Model (from Shover et al., 2001)**

In this way, the Model is not an innovation that is superimposed onto the Tax Office but is rather one that infiltrates many Tax Office practices. And it is this difference, outlined in the following section, which opens up the opportunity to examine compliance and tax systems from a critical social perspective. That is, in reference to Tomkin et al.'s (2001) assertion that processes and outcomes of globalisation may affect compliance behaviour, it is argued here that the ethics and practices of the ATO Compliance Model coincides with one particular take on modern social life, as it approaches the issue from the individual, not a systems perspective. As such, it has the potential to increase, and indeed has increased, tax compliance through harnessing some of the 'tools' or features of post-modernity.

### **Diagnosing social life: The ATO Compliance Model as a post-modern tax tool?**

This paper takes a pragmatic and positive approach by viewing 'theories as instruments for transforming reality, rather than having the role of mirroring its essential and invariant

features' (Bogason, 2001, p. 180). As such, it aims to show how the ATO Compliance Model (potentially) shifts Tax Office thinking about taxpayers from a 'homo economis', to a more dialogic and iterative perspective on tax compliance, governance and public administration. This brings the ATO Compliance Model into the realms of some aspects of modern social theory, making it a 'post-modern tax tool'.

To explain this point further it is necessary to outline some current social or post-modern theories that seek to diagnose common trends and experiences in high-income societies<sup>3</sup>. These theories are essentially anti-reductionist (Sibeon, 1999). They aim to move away from 'grand theories or narratives' such as structuralism and functionalism, which mapped out immutable social structures that individuals then simply slot into. By contrast, critical social theory argues that to investigate how individuals think and behave, it is necessary to address values, beliefs and cultural assumptions, and how they relate to cultural meanings (Coleman & Freeman, 1997; Reser, 1995). This in turn requires an understanding of the broad social contexts or community of the individual actor (Burningham & Cooper, 1999). For the sake of this paper, there are two key components to these approaches. First, the diagnosis offered of the conditions of modern social life. Second, how these conditions are believed to influence individual practices. Both these components will be discussed briefly below.

To begin with the diagnosis of modern social life, one well-rehearsed framing is the notion of the 'risk society' (Beck, 1992, 1995). Beck and others have argued extensively that current social conditions in high-income countries, with a prevalence of environmental and economic risks and uncertainties, has caused a breaking down of old social patterns. Focussing on how this affects the individual, Beck argues that as information is available about a proliferation of risks and inequalities (for example, BSE, Radon gas, pesticides, multi-millionaires paying next-to-no tax, and so on) individuals experience new forms of

---

<sup>3</sup> The term 'postmodern' is subject to a great deal of critical debate in the academy. Much work has been done in this area to date (see Nash, 2000) but the space does not exist within this paper to argue about conflicting definitions. Briefly however, as Bogason (2001, p. 166) states, 'Most social scientists agree that we are witnessing changes in society and in the ontology and epistemology of the social sciences, but they differ in their ways of expressing the changes'. Therefore, the phrase is used here as convenient shorthand to represent one theme or collection of arguments that have come to the fore in the critical social sciences, sharing similar concepts and framing contemporary social conditions through similar diagnostics.

both social anxiety and liberation. This creates widespread questioning of the authority of once dominant institutions and forms of knowledge, creating contestation of prevailing dogma and vested interests (Eckersley, 2001, Peters & Pierre, 1998). This state is often labelled 'reflexive modernisation', where:

People have been set free from conventionalised forms of life. Roles, relationships and practices no longer constitute the self as once they might; they are confronted by the self as something external to it, as options to be chosen, rejected or adapted (Szerszynski, 1999, p. 245).

In short, a process of individualisation has taken place. This is not to be read as isolation and alienation (Beck, 1998)<sup>4</sup>. Rather, individuals are embedded within the socio-material trends of economic and cultural globalisation, which means: 'The narrative of self-identity has to be shaped, altered and reflexively sustained in relation to rapidly changing circumstances of social life, on a local and global scale' (Giddens, 1991, p. 215). Thus, individual financial practices can be viewed as part of a globalised state of reflexive modernisation. Here, government's and the public service's authority and 'expert knowledge' is diminished, making their rationale, actions and discourses subject to public and private scrutiny, and also making trust a key issue in governance (see Braithwaite, 1998; Hardin, 1998; Newton, 2001; Scholz & Lubell, 1998).

This type of diagnosis sits alongside and feeds into advances in social theory in many ways, including our understanding of how social behaviour and processes are created and maintained. For example, Giddens' structuration theory posits that in this state and time, social practices and institutions that often appear as 'systems' when glanced at momentarily (for example, Giddens, 1984), are rather constantly (re) created ways of

---

<sup>4</sup> Although, there are strong arguments that Beck and Giddens' rather optimistic diagnosis ignores how benefits of post-modernity are vastly uneven in their class and geographical distribution. For example, there is mounting evidence that the gap between rich and poor has widened over the past few decades in countries such as Australia and UK. This leads to greater social alienation and disenfranchisement of the poor in consumer-orientated societies.



acting and thinking that form the conditions for future actions<sup>5</sup>. In this way, individual tax compliance behaviour is not a social given but a practice affected by, and effecting, social interactions and forms of knowledge (Braithwaite, forthcoming). As such, it can no longer be assumed that the ‘subject’ of tax administration is instantly knowable, unified or insignificant to processes and outcomes (Taylor, 1998). Rather, we need to appreciate both individual knowledge and the structuring principles that this knowledge is part of.

Some of these tenets are arguably encompassed in the ATO Compliance Model. As detailed above, the Model seeks to set up a dialogue between taxpayers and tax officers that is mutually informative. It aims to effectively communicate complex information that taxpayers may not be willing to accept at face value from disembodied and distanced sources, either because of suspicion of the Tax Office, the desire to be given a fair hearing, or past experiences of bureaucratic incompetence and marginalisation (for example, see Peel, 1998; Tyler, 2001). Communication is not incidental to future compliance behaviour but fundamentally formative in helping the taxpayer to reach an understanding of their role in any tax regime, whilst enabling them to see the human face of the Tax Office that respects their individual circumstances and social position.

This is how the ATO Compliance Model is mapped out in theory but how does it function in practice? If the argument of this paper is that it is a post-modern tool in a post-modern world, then it should be effective at tapping into some of the social relations and conditions that help form taxpayers’ practices. The remainder of this paper will show that indeed it is, with some notable limitations, an effective compliance tool. This assertion is based on interviews carried out with ATO Compliance Model ‘champions’—the people who have enthusiastically adopted the Model in their Tax Office outlook and work—with the aim of understanding the effect the Model has on tax officers and upon the taxpayers they interact with.

---

<sup>5</sup> For example, Giddens’ work suggests that an institution, such as a university, does not exist independently as an over-arching structure that academics and administrators then fit into. Rather, the ways of acting, expectations and broader social contexts of the individuals in the university constantly creates and maintains the ‘system’ of the university, giving it an appearance of permanence.

## Research Methods

What are the implications this post-modern ‘take’ for examining tax administration? For one, it suggests that individual tax compliance should be researched from ‘the bottom up’, working, through dialogue and interaction, from the position and voice of the individual to understand their knowledge, and how their practices are formed within social contexts (Tyler, 2001). Tax compliance is not just about economics but also about perceptions of fairness, equity and citizenship (see Braithwaite et al., 2001)—conceptual ideas that are no longer deemed unitary and normatively homogeneous (Beilharz, 2000; Hudson, 2000; Turner, 2001) but require further interrogation empirically and theoretically.

As such, this research was carried out using the qualitative methods of one-to-one interviews. As the research aimed to understand why and how the ATO Compliance Model appealed to champions and how it affected their work, interview methods were deemed highly appropriate as they offer the chance for detailed insights into individual experiences, views and values. They also present an alternative to more conventional, often quantitative, methods of measuring the success of innovations in organisations, being able to pick up subtle and ‘below the line’ factors (see Hobson, 2001).

Interviews took place in the spring of 2000. Interviewees were recruited using a ‘snow-balling’ method. That is, key individuals known to the Tax Office team implementing the ATO Compliance Model were interviewed and in the process were asked to recommend others who might be willing to talk about the Model, whether their outlook was positive or negative. This resulted in 22 Tax Office officers being interviewed (17 male, 5 female)<sup>6</sup>. The managerial scope of interviewees ranged from the most senior levels to APS 6, although the majority were clustered around the rank of senior management and top middle management.

---

<sup>6</sup> Interviews were carried out by members of the Regulatory Institutions Network (RegNet), Australian National University. Interviewers were Brenda Morrison (Centre for Restorative Justice), Tina Murphy (Centre for Tax System Integrity) and Declan Roche (Law Programme, now at the London School of Economics).

All interviews were semi-structured, allowing comparative information to be drawn, whilst also allowing interviewees the space to talk openly. Some of the questions asked included interviewee's understanding of the Model; any positive and negative experiences they had trying to implement the Model in the Tax Office; other Tax Office staff's understanding and support of the Model; and how implementation of the Model might be improved in the future. All interviews were taped and transcribed fully. Analysis took the form of 'open coding'. This is a process wherein key themes emerge from the data as the transcripts are read, which are then iteratively cross-referenced and built upon through further reading and analysis (see Strauss, 1987 for further discussion of this process; see also Hobson, 2001). This method enables key themes and sub-themes that were not predetermined before the research to be compiled from the data, making it a 'grounded' research technique.

### **Compliance Champions: Working from the inside out**

When asked how s/he saw the ATO Compliance Model, one interviewee stated<sup>7</sup>:

I see the model gives quite clear levels and responses and it lets you take into account individual's personal circumstances, so people at the end of the day feel they are being properly treated. They have been listened to, they have had an opportunity to debate the issue. At the end of the day they might feel that they don't like the answer but they think they had a proper hearing. So it's really about an individual interacting with the system. Treat them in a professional, personal way, but also enable the ATO to understand the various business sectors.

The above quote exemplifies how many ATO Compliance Model champions grasp the workings and multiple implications of the Model. Interviewees report how the Model made 'intuitive common sense' to them as it embodies how they feel the Tax Office *should* be working. This *modus operandi* had previously been constrained by a strong emphasis on set structures, hierarchies and processes, which pervaded the organisation and indeed institutional management as a whole. As one interviewee puts it:

---

<sup>7</sup> Interviewee anonymity was an essential part of this research process and therefore the interviewee's names, sex or rank are not identified here. Quotes are taken from the interview transcripts.

And the thing that struck me was that, it was funny, but I don't know what was new about it. That was always my attitude, all the way back but I just said 'right, they have finally formalised it and that's the way to go now' which is great. Our whole team were pretty keen on it.

As such, the ATO Compliance Model appears to challenge previously prevailing Tax Office discourses and practices of administering tax law in a pre-determined way. By suggesting that there are other ways to be, think and act whilst still achieving compliance, opens up both discursive and physical spaces within the organisation where staff can legitimately ask new questions and forward new ways of working. One interviewee notes that in past times raising the question of the Tax Office's community legitimacy and moral obligations would have been laughable: they were there to collect revenue. Now, the Model enables them to ask not only why taxpayers act the way they do but also to ask why tax officers act the way they do, and the nature of the relationship between the two.

This presents a different approach to and experience of introducing new ideas into an organisation. Rather than CEO led proclamations of 'where now' (in comparison to Pruzan, 2001), the Model attempts to hand the creative reins to the tax officer, within the limits of having to administer a complex tax system. This switch of emphasis can be seen as in-keeping with broader changes in business and organisational administration. As Hinchliffe (2000, p. 579) summarises:

Hierarchy has been displaced by a taste for heterarchy. Enabling conditions are talked about instead of fixed structures. Corporate employees have been dropped in preference for enterprising individuals. Movement and initiative have, in some quarters, become more valued than stasis and knowing one's place.

These changes not only concern ways of acting and administering but also the forms of knowledge used in the workplace. For example, De Young (1993) draws the distinction between tangible and scientific, and intangible and experiential processes of change, highlighting how the intangibilities, although highly important, are often ignored in research because of their contingent and nebulous nature. Post-modern theory has

constantly stressed the vital role of this form of knowledge in social practices and indeed it plays a key role for these champions.

This assertion is supported in how the champions talk about the Model. Rather than just trying to map it onto their existing work or turn it into a static set of step-by-step procedures, it is their ability to ‘play’ with it in their daily routines that makes it work. One interviewee described how:

My first reaction was ‘what’s this shit?’ Not in terms of what the Model was trying to say, it was just the language, it was in academia. It wasn’t until we started using it, when we started playing with some of the ideas in it, that I started to understand it. So I guess for a person like me the worst thing to do was to get me to read something about it. The first thing to do is not even tell me that there’s a model. Just start doing some things.

And indeed many of these champions have indeed started ‘doing some things’ with it. This ‘playing’ is made possible by champions appearing to internalise the Model, transforming it into personal thought processes. Interviewees come to see it as a tool they could use to think *with*, as the quote above shows. Rather than applying it *to* their work, it has become embedded in their thinking. In this way, the ethics of the Model come immediately to the fore when considering compliance issues. Post-modern theorists would consider this a prime example of self-reflexivity in action, where scientific knowledge gives ways and/or combines with experiential knowledge to produce a grounded form of practice (see Bogason, 2001). Indeed, interviewees comment that, in fact, they no longer see it as ‘that model’ because it has become a way of thinking that pervades their daily routines:

It’s not a model that you can pick off the shelf sometimes and use. It’s more just a part of the way we do things. So I think we would consider it to be a success if we had all the elements of the model embedded in our work practices without calling it a model any more.

Indeed, having the space to experiment with the ATO Compliance Model is deemed essential to its success as:

People have some resistance to the concept until such time as they personally experience it or see the results.

What does the ATO Compliance Model come to represent to these individuals? Interviewees call it a philosophy, a framework or a touchstone, which they can use to inform their outlook and guide their practices, not only in work but also outside of work. For example:

At the end of the day the Compliance Model is really a qualified philosophy, principles as to how you want to behave and it gives you the tool in which to react to different levels of position of choice. And by having that sort of a positive attitude and understanding you will then be able to maximise on relationships, be it private, professional or otherwise.

The resonance of the ATO Compliance Model is aided through it fitting with ongoing Tax Office discourses about the reshaping the tax system, such as the Taxpayer's Charter, which is concerned with building community confidence and partnerships to increase its legitimacy. Thus, the ATO Compliance Model is very much:

In full alignment with the Taxpayers' Charter. We are clear that we are dealing with the individual taxpayer, and the circumstances of taxpayers need to be examined and not just put all in one big group and say 'everything is the same, everything applies to that group'.

Thus, the Tax Office is recognising that its institutional authority is no longer enough to collect tax effectively. Today, the contestations and recriminations of the taxpayer have to be met head on—an argument that many social theorists would agree with.

### **Does the ATO Compliance Model improve tax compliance?**

Interviewees report many other positive experiences of the Model. For one, it makes them feel that they are part of a global business community, taking part in cutting-edge and unusual forms of administrative practices, and thus making them leaders in compliance initiatives. The Model also helps to slowly alter the personnel profile of the Tax Office. Being able to work with and understand it has become a central part of Tax Office recruitment strategies. Interviewees feel that this will eventually help produce an organisation able to work effectively with taxpayers, in both building relationships and increasing revenue.

However, these champion interviews cannot offer a full picture of how the Model has worked within the Tax Office and in the taxpaying community. Many other employees have had very different experiences owing to a wide array of factors. For example, other CTSI research has pointed out numerous problems ‘rolling out’ the Model, ranging from lack of financial and management support in certain business lines to problems with interpretations and applicability of the model<sup>8</sup> (see Shover et al., 2001). In addition to this are the wide-ranging tax reforms in Australia over the proceeding years. This administrative upheaval has often obscured and/or obstructed the potential of the ATO Compliance Model. Yet, from these interviews it is possible to get an idea of how the ATO Compliance Model works when these constraints are not paramount. And overwhelmingly, the experiences are positive.

For example, the interviewee below talks about using the Model as an educational tool to talk to taxpayers:

When I was doing real time reviews, as part of an explanation to the taxpayer, I used to explain the Compliance Model. I’d just draw a little triangle, fairly basic, and I explained it from a soft angle to them. And a lot more people after that explanation would accept the fact that even if they were audited there’s a reason behind it.

---

<sup>8</sup> For example, interviewees commented on how resistance to the Compliance Model was often met from Tax Office auditors, who considered the Model as ‘going soft’ on recalcitrant taxpayers.

Interviewees report how taxpayers say they feel better informed, more considered and more willing/able to comply in the future when tax officers have taken the time to explain the Tax Office's aims and processes, using the Model as a heuristic device. Other interviews contain stories of how officers received thank you calls and letters from taxpayers after field visits or other interactions. These taxpayers felt that the Tax Office was listening and trying to help, not merely trying to catch them out.

Such experiences help interviewees take a longer-term view of taxpayers and their relationship with the Tax Office. Whereas past Tax Office emphasis has been on getting as much revenue for a financial year, the Model enables champions to see into future years and understand how actions today would lead to reactions tomorrow:

We work inside the model. Now, if we interpret the model as one dimension, we could have a self-fulfilling prophecy. We prosecute them, they get angry, they don't lodge. It's a catch-22, it's a circular argument. So by looking at the compliance model a little bit more strategically, you can add that extra dimension.

This is a good example of Giddens' (1984) structuration theory in practice. That is, to understand why particular forms of practice exist, we must look at both the intended and unintended consequences of practices. In the past, the Tax Office may have prosecuted to increase lodgment but often this makes taxpayers less likely to lodge due to anger and resentment. Now, the ATO Compliance Model suggests the Tax Office needs to be aware of the future implications of harsh penalties, and thus aim to create a 'culture' of compliance, not just singular acts of compliance.

The Model also has implications for how tax officers feel about themselves. Many report feeling greater pride and having greater productivity since it was introduced, as they too now feel more valued by the Tax Office. As one interviewee put it:



My observation is that our people feel a greater sense of fulfilment and value through management putting faith and confidence in them being involved in the decision-making process.

In this sense, the Model makes use of Tax Office staff's own experiences, knowledge and ideas, which are considered so important in the progress of a 'learning' organisation (see Ali, 2001).

In reference to what the Model comes to represent, some of the 'problems' reported by interviewees can be seen as the inevitable time delay that occurs when new ways of thinking are introduced. This is a measure of how much the Model is challenging the remit and practices of the Tax Office, which will take time to change. Indeed, as a result:

We need to break down some of those paradigms and say 'Well, what does it mean for us in the new environment?' and there needs to be space for that thinking and there also needs to be a level of support to take in that work. So I think we're chipping away.

So far, this 'chipping' shows encouraging signs of making a real difference not only to how the Tax Office operates internally but also its legitimacy as an agency, which is not only financially contentious but also publicly manipulated for party political ends. Rather than continuing the 'them and us' mentality, the ATO Compliance Model offers an opportunity for mutual engagement in relation to taxpayer compliance behaviour in a globalised world.

### **Concluding remarks: The cultural politics of compliance behaviour**

Post-modern perspectives on social life and human relations stress the role of difference, dialogue, positioning, empathy, with institutional knowledge being replaced by experiential and local forms of knowledge, to name but a few. Debates continue to rage in the academy about whether post-modernism is real or a state of mind/way of seeing the world, (see Nash, 2000), and whether a post-modern society necessitates a post-modern academy (Bogason, 2001). This paper has not attempted to enter directly into these debates. Instead, it has argued that some of post-modernism's main themes are embodied

in the ATO Compliance Model. That is, the Model forwards tax administration practices that are interactive and based on affording taxpayers the dignity of assuming they are innocent until proven guilty.

In summary, this paper presents two main arguments. First, an initiative like the ATO Compliance Model has the potential to increase compliance as it harnesses some of the conditions of current social life. For example, rather than looking to make everyone in the Tax Office act in the same way, the Model allows difference and replaces it with enthusiasm. As one interviewee concisely summarised:

I don't think you'll ever get consensus. I think genuine commitment is what I think is essential.

In this way, the boundaries between work and home are challenged (see also Nippert-Eng, 1995), as the Model speaks to the tax officer as a person and a professional, becoming part of their 'worldview', rather than a piece of black-boxed information (see Latour, 1993). This was found to be supported in the interviews, as:

The Compliance Model just made sense of the world where I live.

Secondly, this paper has argued that there is a role for casting a social critical eye over topics such as tax compliance, which is usually the domain of positivist disciplines. In doing so, a rich area of research is offered up. As the discourse of the citizen-consumer limps along, there are strong calls to rather view the relationship between government and the public as 'interactive political engagement' (Ryan, 2001, p. 105).

Thus, Tomkins et al.'s (2001) assertion that the social factors of globalisation will affect compliance may indeed prove true, but questions remain as to why and how these factors are effective in relation to the individual taxpayer. Some possible reasons are immediately obvious. Information sources such as the Internet provide the chance for individuals to learn more about minimising their tax, as aggressive financial services are no longer merely the domain of the rich. Also, tax compliance as a political statement is another worthy line of inquiry.

That is, in the past a few individuals have withheld a proportion of their income tax as overt protest to its contribution to funding national armament and nuclear systems. Although this may still take place, it is worthwhile asking how the effects of globalisation might alter such protests and feelings. As ‘politics’ has seeped into different spaces, such as the individual lifestyle, there appears to exist an implicit tension between freedom and control in everyday practices. This tension is apparent in some of the normative discourses that surround public issues such as tax. For example, whilst citizens of neo-liberal government of the UK, US and Australia are (still) experiencing a ‘rolling back of the state’, governments have tried to rather regulate social conduct by calling on individuals to take on more personal responsibility and act like ‘moral citizens’ (Everingham, 2001; Hudson & Kane, 2000). If tax is part of citizenry, and yet the spaces of public citizenry and voice are felt to be shrinking or already shrunk (for example see Welcomer, Gioia & Kilduff, 2000), withholding tax may be as much a political act as a financial one. Nash (2000, 2001) calls this ‘cultural politics’ and Beck calls it ‘sub politics’, in reference to the dissolution of the barrier between private and public in modern social life (see also Finlayson, 2001). As such, tax compliance is about knowledge, power, values, and also about how individuals interact and feel about forms of governance—a way of seeing governance and administration that Foucault (1991) called the microphysics of power. Therefore, the micro-politics of compliance practices are central to understanding more about why and how individuals act the way they do. In light of this argument, there is indeed a post-modern agenda of tax research waiting to be undertaken.

## REFERENCES

- Ali, T. S. A. H. (2001). Serving in the knowledge age: Realigning the public service for knowledge advantage, *International Review of Administrative Sciences*, 67(2), 273-286.
- Australian Taxation Office. (1998). *Improving Tax Compliance in the Cash Economy*, Australian Taxation Office, Commonwealth of Australia.
- Ayres, I., & Braithwaite, J. (1992). *Responsive Regulation: Transcending the Deregulation Debate*. Oxford University Press.
- Beck, U. (1992). *Risk Society: Towards a New Modernity*. Sage Publications.
- Beck, U. (1995). *Ecological Politics in an Age of Risk*. Polity Press.
- Beck, U. (1998). The Cosmopolitan Manifesto, *New Statesman*, 20, (March), 28-30.
- Beilharz, P. (2000). Postmodernism and Citizenship. In W. Hudson, & J. Kane (Eds.), *Rethinking Australian Citizenship*. Cambridge University Press.
- Billig, M. (1987). *Arguing and Thinking: A rhetorical approach to social psychology*. Cambridge University Press.
- Blumenthal, M., Christian, C., & Slemrod, J. (2001). Do normative appeals affect tax compliance? Evidence from a controlled experiment in Minnesota, *National Tax Journal*, 54(1), 125-138.
- Boden, D. (1994). *The Business of Talk*. Polity Press.
- Bogason, P. (2001). Postmodernism and American Public Administration in the 1990s, *Administration and Society*, 33(2), 165-193.

Braithwaite, V. (1998). Communal and Exchange Trust Norms: Their value base and relevance to institutional trust. In V. Braithwaite, & M. Levi (Eds.), *Trust and Governance*. Russell Sage Foundation.

Braithwaite, V. (forthcoming). *The New Defiance: Challenging Integrity and Legitimacy*. Ashgate.

Braithwaite, V., Reinhart, M., Mearns, M., & Graham, R. (2001). Preliminary findings from the Community Hopes, Fears and Actions survey, *Centre for Tax System Integrity Working Paper No. 3*. Canberra: Australian National University.

Brewer, B. (2001). Conceptualising public management excellence., *Public Administration and Policy*, 10(1), 1-20.

Burningham, K., & Cooper, G. (1999). Being Constructive: Social Constructionism and the Environment. *Sociology*, 33(2), 297-316.

Coleman, C., & Freeman, L. (1997). Cultural Foundations of Taxpayer Attitudes to Voluntary Compliance. *Australian Tax Reform*, 13, 311-336.

Cooper, G. S., & Cunliffe, C. (2001). Skinning the Tax Avoidance Cat. *Australian Tax Review*, 30, 26-38.

Cuccia, A., D., & Carnes, G. A. (2001). A closer look at the relation between tax complexity and tax equity perceptions. *Journal of Economic Psychology*, 22, 113-140.

Damapour, F., & Gopalakrishnan, S. (2001). The Dynamics of the Adoption of Product and Process Innovations in Organizations. *Journal of Management Studies*, 38(1), 45-65.

De Young, R. (1993). Changing Behavior and Making it Stick: The Conceptualization and Management of Conservation Behavior. *Environment and Behavior*, 25(4), 485-505.

Eckersley, R. (2001). Economic Progress, Social Disquiet: The Modern Paradox. *Australian Journal of Public Administration*, 60(3), 89-97.

Everingham, C. (2001). Reconstituting Community: Social Justice, Social Order and the Politics of Community. *Australian Journal of Social Issues*, 36(2), 105-122.

Finlayson, A. (2001). Culture, Politics and Cultural Politics in Northern Ireland. *Mobilities*, 43, 87-102.

Foucault, M. (1991). Questions of method. In G. Burchell, C. Gordon, & P. Miller (Eds.), *The Foucault Effect: Studies in governmentality*. Harvester Wheatsheaf.

Fox, S. (2000). Communities of Practice, Foucault and Actor-Network Theory. *Journal of Management Studies*, 37(6), 853-867.

Giddens, A. (1984). *The Constitution of Society*. Polity Press.

Giddens, A. (1991). *Modernity and Self-Identity: Self and society in the Late Modern Age*. Polity Press.

Hardin, R. (1998). Trust in Government. In V. Braithwaite, & M. Levi (Eds.), *Trust and Governance*. Russell Sage Foundation.

Haylett, C. (2001). Modernization, welfare and 'third way' politics: Limits to theorizing in 'thirds'? *Transactions of the Institute of British Geographers*, 26, 43-56.

Hinchliffe, S. (2000). Performance and experimental knowledge: Outdoor management training and the end of epistemology. *Environment and Planning D*, 18, 575-595.

Hobson, K. (1999). An evaluation of 'Action at Home' in the Workplace: A report on Global Action Plan's North-west project. University College London/Global Action Plan, London.

Hobson, K. (2001). Championing the Compliance Model: From common sense to common action? *Centre for Tax System Integrity Working Paper No. 28*. Canberra: The Australian National University.

Hubbard, R. (2001). Societal leadership and good governance: Strengthening learning, values and consent. *International Review of Administrative Sciences*, 67(2), 229-236.

Hudson, W. (2000). Differential Citizenship. In W. Hudson, & J. Kane (Eds.), *Rethinking Australian Citizenship*. Cambridge University Press.

Hudson, W., & Kane, J. (2000). Rethinking Australian Citizenship. In W. Hudson, & J. Kane (Ed.), *Rethinking Australian Citizenship*. Cambridge University Press.

Jenkins, S. (1995). *Accountable to none: The Tory Nationalization of Britain*. Penguin.

Jones, E. (2001). Economic Rationalism: The Alternative. *Canberra Bulletin of Public Administration*, 99, 74-75.

Karkkainen, B. C., Fung, A., & Sabel, C. F. (2000). After backyard environmentalism. *The American Behavioral Scientist*, 44(4), 692-711.

Kirchler, E., & Maciejovsky, B. (2001). Tax compliance within the context of gain and loss situations, expected and current asset position and profession. *Journal of Economic Psychology*, 22, 173-194.

Latour, B. (1993). *We Have Never Been Modern*. Harvester Wheatsheaf.

Levi, M. (1998). A State of Trust. In V. Braithwaite, & M. Levi (Eds.) *Trust and Governance*. Russell Sage Foundation.

McBarnet, D. (2001). When Compliance is not the solution but the problem: From changes in law to changes in attitude. *Centre for Tax System Integrity Working Paper No. 18*. Canberra: Australian National University.

Nash, K. (2000). *Contemporary Political Sociology: Globalization, Politics and Power*. Blackwell Publishers.

Nash, K. (2001). The 'Cultural Turn' in Social Theory: Towards a Theory of Cultural Politics. *Sociology*, 35(1), 77-92.

Newton, K. (2001). Trust, Social Capital, Civil Society and Democracy. *International Political Science Review*, 22(2), 201-214.

Nippert-Eng, C. E. (1995). *Home and Work: Negotiating Boundaries through Everyday Life*. The University of Chicago Press.

Pagone, G. T. (2000). Tax Planning or Tax Avoidance. *Australian Tax Review*, 29, 96-119.

Pagone, G. T. (2001). Anti-avoidance Provisions and Tax Reform. *Australian Tax Review*, 30(2), 80-90.

Peel, M. (1998). Trusting Disadvantaged Citizens. In V. Braithwaite, & M. Levi (Eds.) *Trust and Governance*. Russell Sage Foundation.

Peters, B. G., & Pierre, J. (1998). Governance without government? Rethinking public administration. *Journal of Public Administration Research and Theory*, 8(2), 223-243.

Pruzan, P. (2001). The question of organizational consciousness: Can organizations have values, virtues and visions? *Journal of Business Ethics*, 29(3), 271-284.

Randall, K. (2001). Tax: Are we really having a debate? *Canberra Bulletin of Public Administration*, 100, 42-43.



Reser, J. P. (1995). Whither Environmental Psychology? The Transpersonal Ecopsychology Crossroads. *Journal of Environmental Psychology*, 15, 235-257.

Ryan, N. (2001). Reconstructing Citizens as Consumers: Implications for New Models of Governance. *Australian Journal of Public Administration*, 60(3), 104-109.

Sanyal, A., Gang, I. N., & Goswami, O. (2000). Corruption, tax evasion and the Laffer curve. *Public Choice*, 105(1-2), 61-78.

Schmidt, D. R. (2001). The prospects of taxpayer agreement with aggressive tax advice. *Journal of Economic Psychology*, 22, 157-172.

Scholz, J. T. (1998). Trust, Taxes and Compliance. *Trust and Governance*. In V. Braithwaite, & M. Levi (Eds.) *Trust and Governance*. Russell Sage Foundation.

Scholz, J. T., & Lubell, M. (1998). Trust and Taxpaying: Testing the Heuristic Approach to Collective Action. *American Journal of Political Science*, 42(2), 398-417.

Shotter, J. (1993). *Cultural Politics of Everyday Life*. Open University Press.

Shover, N., Job, J., & Carroll, A. (2001). Organisational Capacity for Responsive Regulation. *Centre for Tax System Integrity Working Paper No. 15*. Canberra: Australian National University.

Sibeon, R. (1999). Anti-Reductionist Sociology. *Sociology*, 33(2), 317-334.

Smith, J. P. (1993). *Taxing Popularity: The story of taxation in Australia*. The Federalism Research Centre, The Australian National University, Canberra.

Strauss, A. L. (1987). *Qualitative Analysis for Social Scientists*. Cambridge University Press.

Szerszynski, B. (1999). Risk and Trust: The Performative Dimension. *Environmental Values*, 8, 239-252.

Taylor, D. (1998). Social Identity and Social Policy: Engagement with Postmodern Theory. *Journal of Social Policy*, 27(3), 329-350.

Taylor, N. (2001). Understanding taxpayer attitudes through understanding taxpayer identities. *Centre for Tax System Integrity Working Paper No. 14*. Canberra: Australian National University.

Tomkins, C., Packman, C., Russell, S., & Colville, I. (2001). Managing Tax Regimes: A Call for Research. *Public Administration*, 79(3), 751-758.

Triantafillou, P., & Nielsen, M. R. (2001). Policing empowerment: the making of capable subjects. *History of the Human Sciences*, 14(2), 63-86.

Turner, B. S. (2001). The erosion of citizenship. *British Journal of Sociology*, 52(2), 189-209.

Tyler, T. R. (2001). Trust and Law-Abidingness: A Proactive Model of Social Regulation. *Centre for Tax System Integrity Working Paper No. 16*. Canberra: Australian National University.

Vehron, C. L., & Brondolo, J. (1999). Organizational options for tax administration. *Bulletin for International Fiscal Documentation*, 53(11), 499-512.

Visser, B. (2000). Organizational communication structure and performance. *Journal of Economic Behaviour and Organization*, 42, 231-252.

Watanabe, S. (2000). Electronic commerce, international taxation and tax administration. *Hitotsubashi Journal of Economics*, 41(1), 53-64.

Webley, P., Cole, M., & Eidjar, O. P. (2001). The prediction of self-reported and hypothetical tax evasion: Evidence from England, France and Norway. *Journal of Economic Psychology*, 22, 141-155.

Welch, E. W., & Wong, W. (2001). Effects of Global Pressures on Public Bureaucracy. *Administration and Society*, 33(4), 371-402.

Welcomer, S. A., Gioia, D., A., & Kilduff, M. (2000). Resisting the discourse of modernity: Rationality versus emotion in hazardous waste siting. *Human Relations*, 53(9), 1175-1205.

Welford, R. J. (1998). Corporate Environmental Management, Technology and Sustainable Development: Postmodern Perspectives and the Need for a Critical Research Agenda. *Business Strategy and the Environment*, 7, 1-12.

Wenzel, M. (2001). Principles of procedural fairness in reminder letters and awareness of entitlements: A prestudy. *Centre for Tax System Integrity Working Paper No. 10*. Canberra: Australian National University.

Wickerson, J. (1994). Measuring Taxpayer Compliance: Issues and Challenges Facing Tax Administration. *Australian Tax Reform*, 1, 11-42.

Williams, H. (2001). Perceptions and Performance: The Australian public service experience. *International Review of Administrative Sciences*, 67(1), 49-64.

**THE CENTRE FOR TAX SYSTEM INTEGRITY  
WORKING PAPERS**

- No. 1. Braithwaite, V., & Reinhart, M. *The Taxpayers' Charter: Does the Australian Taxation Office comply and who benefits?* December 2000.
- No. 2. Braithwaite, V. *The Community Hopes, Fears and Actions Survey: Goals and Measures.* March 2001.
- No. 3. Braithwaite, V., Reinhart, M., Mearns, M., & Graham, R. *Preliminary findings from the Community Hopes, Fears and Actions Survey.* April 2001.
- No. 4. Mearns, M., & Braithwaite, V. *The Community Hopes, Fears and Actions Survey: Survey method, sample representativeness and data quality.* April 2001.
- No. 5. Sakurai, Y., & Braithwaite, V. *Taxpayers' perceptions of the ideal tax adviser: Playing safe or saving dollars?* May 2001.
- No. 6. Wenzel, M. *The impact of outcome orientation and justice concerns on tax compliance: The role of taxpayers' identity.* June 2001.
- No. 7. Wenzel, M. *Misperceptions of social norms about tax compliance (1): A prestudy.* June 2001.
- No. 8. Wenzel, M. *Misperceptions of social norms about tax compliance (2): A field-experiment.* June 2001.
- No. 9. Taylor, N. *Taxpayers who complain about paying tax: What differentiates those who complain from those who don't?* June 2001.
- No. 10. Wenzel, M. *Principles of procedural fairness in reminder letters and awareness of entitlements: A prestudy.* June 2001.
- No. 11. Taylor, N., & Wenzel, M. *The effects of different letter styles on reported rental income and rental deductions: An experimental approach.* July 2001.
- No. 12. Williams, R. *Prosecuting non-lodgers: To persuade or punish?* July 2001.
- No. 13. Braithwaite, V. *Tensions between the citizen taxpaying role and compliance practices.* Forthcoming
- No. 14. Taylor, N. *Understanding taxpayer attitudes through understanding taxpayer identities.* July 2001.

- No. 15. Shover, N., Job, J., & Carroll, A. *Organisational capacity for responsive regulation*. August 2001.
- No. 16. Tyler, T. R. *Trust and law-abidingness: A proactive model of social regulation*. August 2001.
- No. 17. Genser, B. *Corporate income taxation in the European Union: Current state and perspectives*. August 2001.
- No. 18. McBarnet, D. *When compliance is not the solution but the problem: From changes in law to changes in attitude*. August 2001.
- No. 19. Schneider, F., Braithwaite, V., & Reinhart, M. *Individual behaviour in Australia's shadow economy: Facts, empirical findings and some mysteries*. September 2001.
- No. 20. Taylor, N., & Wenzel, M. *Comparing rental income and rental deductions for electronic versus paper lodgers: A follow-up investigation*. November 2001.
- No. 21. Braithwaite, J. *Through the eyes of the advisers: A fresh look at tax compliance of high wealth individuals*. September 2001.
- No. 22. Braithwaite, J., Pittelkow, Y., & Williams, R. *Tax Compliance by the very wealthy: Red flags of risk*. September 2001.
- No. 23. Braithwaite, J., & Williams, R. *Meta risk management and tax system integrity*. October 2001.
- No. 24. Braithwaite, J., & Wirth, A. *Towards a framework for large business tax compliance*. November 2001.
- No. 25. Murphy, K., & Sakurai, Y. *Aggressive Tax Planning: Differentiating those playing the game from those who don't?* October 2001.
- No. 26. Morgan, S., & Murphy, K. *The 'Other Nation': Understanding rural taxpayers' attitudes toward the Australian tax system*. December 2001
- No. 27. Ahmed, E., & Sakurai, Y. *Small business individuals: What do we know and what do we need to know?* December 2001.
- No. 28. Hobson, K. *Championing the compliance model: From common sense to common action*. December 2001.
- No. 29. Smart, M. *The Under-30 taxpayer: Different from the rest?* Forthcoming.

- No. 30. Job, J., & Honaker, D. *Short-term experience with responsive regulation in the Australian Taxation Office*. May 2002.
- No. 31. Frey, B. *A constitution for knaves crowds out civic virtues*. June 2002.
- No. 32. Feld, L., & Frey, B. *Trust breeds trust: How taxpayers are treated*. June 2002.
- No. 33. Wenzel, M. *An analysis of norm processes in tax compliance*. July 2002.
- No. 34. Wenzel, M. *The social side of sanctions: Personal and social norms as moderators of deterrence*. October 2002.
- No. 35. Murphy, K. *Procedural justice and the Australian Taxation Office: A study of scheme investors*. Forthcoming.
- No. 36. Hobson, K. *Financing Australia: A 'post-modern' approach to tax compliance and tax research*. August 2002.