# Article information:

Sustainability | Free Full-Text | Impact of Direct Taxation on Economic Growth: Empirical Evidence Based on Panel Data Regression Analysis at the Level of Eu Countries
<https://www.mdpi.com/2071-1050/15/9/7146>

# Article summary:

1. Direct taxation can impact economic growth, but the relationship is complex and influenced by factors such as the level of economic development, the structure of the tax system, and the use of tax proceeds.

2. Properly designed fiscal policy can help reduce income inequality and promote social mobility through measures such as progressive taxation, cash transfers, and investments in education and healthcare.

3. This study used panel data from all 27 EU countries to investigate the impact of direct taxation on economic growth, considering both highly efficient and rather limited fiscal efficiency countries, and found that direct taxation has a negative effect on economic growth in both groups.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article "Impact of Direct Taxation on Economic Growth: Empirical Evidence Based on Panel Data Regression Analysis at the Level of EU Countries" provides a comprehensive overview of the relationship between direct taxation and economic growth. The article highlights the importance of sustainable economic development and full employment, which are essential for achieving the eighth Sustainable Development Goal (SDG). The article also acknowledges that income inequality is a significant problem that can lead to reduced social cohesion, lower economic growth, increased political instability, and poorer health and education outcomes.

The article presents empirical evidence on the link between direct taxation and economic growth, which may be used to drive policy decisions and provide insights into how taxation affects economic growth. However, the article does not provide a balanced view of the issue. It primarily focuses on the negative impact of direct taxation on economic growth without considering potential benefits such as reducing income inequality or funding public goods like infrastructure, health care, and education.

The article acknowledges that various factors impact the relationship between direct taxation and economic growth, including the level of economic development, the form of the tax system, and the utilization of tax proceeds. However, it does not explore these factors in-depth or consider their potential impact on the relationship between direct taxation and economic growth.

Furthermore, while the article presents empirical evidence based on panel data regression analysis at the level of EU countries covering 2008-2020 period to investigate this relationship, it does not provide enough information about its methodology or limitations. Additionally, it does not explore counterarguments or alternative perspectives that could challenge its findings.

Overall, while this article provides valuable insights into how direct taxation impacts economic growth in EU countries, it lacks balance in its reporting and fails to consider potential benefits or alternative perspectives.

# Topics for further research:

* Factors affecting the relationship between direct taxation and economic growth
* Benefits of direct taxation in reducing income inequality
* Utilization of tax proceeds for public goods like infrastructure
* healthcare
* and education
* Alternative perspectives on the impact of direct taxation on economic growth
* Methodology and limitations of panel data regression analysis
* Impact of direct taxation on social cohesion
* political stability
* and health and education outcomes.

# Report location:

<https://www.fullpicture.app/item/7994347872b6532e5dba69b100ccc495>