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**THE FISCAL PRESSURE AND ITS IMPACT ON PUBLIC  
GOVERNANCE**

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## SUMMARY

The main objective of the scientific research in this doctoral thesis is to disseminate theoretical and practical aspects of the concepts of fiscal pressure and public governance. This involves identifying determinant factors and operational indicators specific to these concepts, as well as providing a clear assessment of the impact of fiscal pressure on public governance.

The present scientific research is presented at both theoretical and econometric levels within the doctoral thesis, structured into four chapters. The first two chapters provide a theoretical overview of general notions related to the concepts of fiscal pressure and public governance. The theoretical presentation of these two concepts is accompanied by an exclusive presentation of determinant factors, elements, operational tools, and subsequent manifestations.

In the third and fourth chapters, several comparative analyses and econometric studies were conducted, presenting the developments of specific indicators of public governance alongside other fiscal indicators identified within emerging states of the European Union over a certain period. The aim of these chapters is to identify and analyze the impact of fiscal pressure on public governance. The third chapter is structured into three parts.

The first part encompasses a comparative analysis of the evolution of indicators of governance quality relative to the average level of the European Union for emerging member states.

The second part consists of an econometric study conducted on a group of emerging member states of the European Union. The presented econometric study is based on two econometric models, namely the Vector Autoregression (VAR) model and the Ordinary Least Square Method (OLS) model. Both econometric models were developed using the E-views 12 Academic Edition application. The third part of the econometric chapter is presented as multiple econometric studies. Thus, the econometric study from the first part of the third chapter expanded to each individual emerging state, aiming to effectively determine the impact of fiscal pressure on public governance. Fourteen econometric studies were conducted, applying simple linear regressions through the Ordinary Least Square Method (OLS) for each emerging member state of the European Union over a specified period.

Upon interpreting the econometric results in the third chapter, it was concluded that in the first conducted econometric study, all independent variables included in the analysis, such as the overall level of fiscal pressure, per capita income (% GDP), international economic openness (% GDP), democracy level, economic fragility, and population size, statistically significantly impact the dependent variable – the quality of public governance (expressed by the arithmetic mean of the six global indicators of public governance quality: participation and responsibility, political stability and absence of violence/terrorism, governance effectiveness, regulatory quality, rule of law, and corruption control).

Furthermore, by extending the econometric study in the third part, it was observed that among the fourteen emerging member states of the European Union, only seven states show statistically significant impacts of the level of fiscal pressure on the quality of public governance for the analyzed period, 2006-2021.

The structures of the applied chapters are similar. Thus, within the first part of the fourth chapter, two comparative analyses of the level of fiscal pressure are presented,

relative to the average level of the European Union, categorized into emerging and developed member states.

Subsequently, in the econometric part, two econometric studies were conducted with the aim of determining the governmental factors influencing the level of fiscal pressure for both categories of states (emerging and developed) within the European Union. It was observed that, for both categories of emerging and developed states, governmental factors expressed through independent variables such as regulatory quality, corruption control, government expenditure level, public debt level, and gross domestic product growth rate had a significant impact on the level of fiscal pressure during the researched period.

The econometric conclusions resulted from the application of two statistical econometric methods, namely the Ordinary Least Square Method (OLS) and Vector Autoregression (VAR). The econometric modeling expressed in this doctoral thesis includes correlation matrices, results (ADF) with individual and trend intercepts, impulse response functions, variance decomposition, descriptive analysis of model variables, and results of Jarque-Bera, Wald, Lagrange, and Hausman tests.

The study's conclusions break down the quantitative differences in econometric impact for the two categories of states (developed and emerging). The overall results of the scientific research underscore the importance of understanding the concepts of public governance and fiscal pressure, along with their determinants and operational tools applied in the economic structure of each state.

The effects of the two studied concepts have shown significant economic and governmental impacts at both theoretical and econometric levels. The economic and econometric results highlight the importance of constant understanding and evaluation over time of the specific operational indicators of the studied concepts throughout the doctoral thesis.

The study has been deepened because these concepts are particularly important and have the full capacity to produce significant effects on the overall economic and social development of each state, regardless of its development category.

**Key words:** fiscal pressure, taxation, public governance, tax evasion, public administration.

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