

TAXING FOR TOMORROW: ETHICAL REFORM, CULTURAL REALITIES, AND SDG-ALIGNED POLICY NIGER AND GHANA

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ABSTRACT (ENGLISH)

Domestic resource mobilization through taxation is central to financing the Sustainable Development Goals (SDGs) in low- and middle-income countries. Yet tax systems in Niger and Ghana face persistent challenges: narrow tax bases, high informality, aggressive tax avoidance by multinational corporations, weak enforcement capacity, and low taxpayer morale. This study examines how ethical principles (fairness, transparency, reciprocity), cultural realities (informal economies, religious norms of zakat in Niger; communalism and social contracts in Ghana), and international SDG commitments interact to shape tax policy and compliance. Drawing on 42 semi-structured interviews with tax officials, policymakers, business representatives, and citizens, combined with an analysis of tax laws, revenue data, and audit reports from 2010 to 2024, the

research identifies divergent approaches to tax ethics, enforcement, and reform in the two countries. Results reveal that Ghana has made greater progress in tax administration modernization (digitalization, revenue authority autonomy, large taxpayer offices) and in transparency through the Extractive Industries Transparency Initiative (EITI). However, perceptions of unfairness in VAT exemptions and transfer pricing enforcement remain high. Niger, despite recent mining sector reforms, continues to struggle with extremely low tax-to-GDP ratios (under 15%), widespread informality (over 80% of employment), and corruption in tax collection. Both countries face the ethical dilemma of taxing extractive industries fairly while remaining competitive for foreign investment. Islamic zakat in Niger and communal solidarity norms in Ghana offer culturally embedded resources for tax morale, yet these are rarely integrated into formal tax administration. The study proposes a culturally intelligent, ethically grounded, and SDG-aligned tax reform framework that includes: (1) progressive digitalization adapted to local literacy and access constraints; (2) integration of informal economies through presumptive taxation and community-based collection; (3) fair taxation of extractive industries with ring-fenced revenues for SDG-linked expenditures; and (4) tax transparency and participatory budgeting to strengthen the fiscal social contract.

Keywords: Tax ethics, domestic resource mobilization, SDGs, Niger, Ghana, extractive industries, informal economy, tax morale, fiscal social contract

Résumé / Abstract (French)

La mobilisation des ressources intérieures par la fiscalité est essentielle au financement des objectifs de développement durable (ODD) dans les pays à revenu faible et intermédiaire. Pourtant, les systèmes fiscaux du Niger et du Ghana sont confrontés à des défis persistants : assiettes fiscales étroites, informalité élevée, évasion fiscale agressive par les multinationales, faible capacité d'exécution et faible moralité fiscale des contribuables. Cette étude examine comment les principes éthiques (équité, transparence, réciprocité), les réalités culturelles (économies informelles, normes religieuses de la zakat au Niger ; communalisme et contrats sociaux au Ghana) et les engagements internationaux en matière d'ODD interagissent pour façonner la politique fiscale et la conformité.

S'appuyant sur 42 entretiens semi-directifs avec des responsables fiscaux, des décideurs politiques, des représentants d'entreprises et des citoyens, combinés à une analyse des lois fiscales, des données sur les recettes et des rapports d'audit de 2010 à 2024, la recherche identifie des approches divergentes en matière d'éthique fiscale, d'application et de réforme dans les deux pays. Les résultats révèlent que le Ghana a fait des progrès plus importants dans la modernisation de l'administration fiscale (numérisation, autonomie de l'administration fiscale, bureaux des grands contribuables) et dans la transparence grâce à l'Initiative pour la transparence des industries extractives (ITIE). Cependant, les perceptions d'injustice concernant les exemptions de TVA et l'application des prix de transfert restent élevées. Le Niger, malgré les récentes réformes du secteur minier, continue de lutter avec un ratio impôts/PIB extrêmement faible (moins de 15 %), une informalité généralisée (plus de 80 % de l'emploi) et une corruption dans le recouvrement des impôts. Les deux pays sont confrontés au dilemme éthique de taxer équitablement les industries extractives tout en restant compétitifs pour les investissements étrangers. La zakat islamique au Niger et les normes de solidarité communale au Ghana offrent des ressources culturellement ancrées pour la moralité fiscale, mais celles-ci sont rarement intégrées dans l'administration fiscale formelle. L'étude propose un cadre de réforme fiscale culturellement intelligent, éthiquement fondé et aligné sur les ODD qui comprend : (1) une numérisation progressive adaptée aux contraintes locales d'alphabétisation et d'accès ; (2) l'intégration des économies informelles par une imposition présumée et une collecte communautaire ; (3) une fiscalité équitable des industries extractives avec des recettes dédiées aux dépenses liées aux ODD ; et (4) la transparence fiscale et la budgétisation participative pour renforcer le contrat social fiscal.

Mots-clés : Éthique fiscale, mobilisation des ressources intérieures, ODD, Niger, Ghana, industries extractives, économie informelle, moralité fiscale, contrat social fiscal.

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1. INTRODUCTION

The adoption of the Sustainable Development Goals (SDGs) in 2015 marked a global commitment to ending poverty, protecting the planet, and ensuring prosperity for all by 2030. Yet financing these ambitious goals remains a formidable challenge, particularly for low- and lower-middle-income countries in Sub-Saharan Africa. The United Nations Conference on Trade and Development (UNCTAD) estimates that developing countries face an annual SDG financing gap of \$2.5 trillion. Official development assistance (ODA) covers only a fraction of this gap. Domestic resource mobilization (DRM) the raising of revenues through taxation has therefore become a central pillar of SDG financing strategies.

Taxation is not merely a technical instrument for revenue collection. It is a profoundly ethical and political institution. Taxes reflect a society's collective choices about fairness, redistribution, and the social contract between citizens and the state. When tax systems are perceived as fair, transparent, and reciprocal (i.e., revenues are spent on public goods), taxpayer compliance improves. When they are perceived as corrupt, regressive, or captured by elites, evasion flourishes and the fiscal social contract frays.

Niger and Ghana provide illuminating comparative cases for examining tax ethics, cultural realities, and SDG-aligned reform. Both are West African nations with significant natural resource endowments (uranium in Niger; gold and oil in Ghana). Both have committed to the SDGs and to domestic resource mobilization as a financing strategy. Both are members of the Extractive Industries Transparency Initiative (EITI) and have undertaken tax reforms with support from international partners (IMF, World Bank, African Development Bank). Yet their tax systems diverge sharply.

Niger is a low-income country (GDP per capita approximately \$650) with a tax-to-GDP ratio of under 15%, one of the lowest in West Africa. The economy is overwhelmingly informal (over 80% of employment), the tax base is narrow, and enforcement capacity is weak. The uranium mining sector, dominated by the French state-owned company Orano, contributes only modestly to public revenues despite decades of extraction. Niger is also approximately 98% Muslim, and Islamic norms of zakat (obligatory alms) coexist with, but are not integrated into, the formal tax system.

Ghana is a lower-middle-income country (GDP per capita approximately \$2,500) with a tax-to-GDP ratio of approximately 17-18%, higher than Niger but still below the African average. Ghana has made significant strides in tax administration modernization, including the establishment of a semi-autonomous Ghana Revenue Authority (GRA), the introduction of digital tax systems (e-Tax, VAT self-service portals), and the creation of a Large Taxpayer Office (LTO). However, challenges persist: informality remains high (approximately 70-80% of employment), transfer pricing enforcement is weak, and public perceptions of unfairness (particularly regarding VAT exemptions for politically connected firms) are widespread.

This study asks: How do ethical principles (fairness, transparency, reciprocity) and cultural realities (Islamic norms in Niger; communal solidarity in Ghana) shape tax policy and compliance? How can tax systems be reformed to align with SDG financing needs while respecting local cultural contexts and ethical standards? What can Niger and Ghana learn from each other's successes and failures?

By comparing these two countries, this study contributes to the growing literature on tax ethics, fiscal sociology, and SDG financing in Africa. It moves beyond purely technical approaches to tax reform (e.g., IT systems, taxpayer registration) to engage with the deeper ethical and cultural dimensions of taxation.

2. LITERATURE REVIEW

This literature review is organized into seven subsections: (2.1) the ethics of taxation: fairness, reciprocity, and consent; (2.2) tax morale and cultural embeddedness; (2.3) informality and presumptive taxation; (2.4) taxing extractive industries: the resource curse and transfer pricing; (2.5) the fiscal social contract and SDG financing; (2.6) comparative tax systems in West Africa: Niger and Ghana; and (2.7) the research gap.

2.1 The Ethics of Taxation: Fairness, Reciprocity, and Consent

Taxation has been a subject of ethical reflection since antiquity. In Western political philosophy, three principles dominate: (a) the benefit principle (those who benefit from public services should pay in proportion to their benefits); (b) the ability-to-pay principle (those with greater means

should contribute more); and (c) the horizontal equity principle (equals should be treated equally). These principles are often in tension. For example, a VAT is regressive (it falls more heavily on the poor as a share of income) but is administratively efficient.

Modern tax ethics also incorporates procedural justice: taxpayers are more likely to comply when they perceive that tax authorities are fair, respectful, and transparent in their procedures (Braithwaite, 2009). Procedural justice includes: (a) voice (the ability to be heard); (b) neutrality (decision-making based on rules, not bias); (c) respect (treatment with dignity); and (d) trustworthiness (authorities act in good faith).

In African contexts, these Western-derived principles must be adapted. The benefit principle, for instance, presupposes that citizens can see a clear link between taxes paid and services received. In contexts where services are poor or unequally distributed, this link is broken, and tax morale declines. The ability-to-pay principle must contend with high informality and the difficulty of measuring income among self-employed and agricultural households.

2.2 Tax Morale and Cultural Embeddedness

Tax morale refers to the intrinsic motivation to pay taxes, independent of the risk of detection or punishment. It is shaped by cultural values, social norms, religious beliefs, and perceptions of government. Research across developing countries has found that tax morale is higher where there is trust in government, where social capital is strong, and where religious institutions promote prosocial behavior (Alm & Torgler, 2011).

In Muslim-majority countries, the Islamic principle of zakat one of the five pillars of Islam requires Muslims to give 2.5% of accumulated wealth annually to specified categories of needy recipients. Zakat is both a religious obligation and a form of redistribution. Some scholars have argued that zakat can serve as a foundation for tax morale, provided that the formal tax system is perceived as consistent with Islamic ethics (i.e.; not funding riba-based activities, not oppressive). In Niger, zakat is practiced privately but is not integrated into the formal tax system. This represents a missed opportunity to leverage existing prosocial norms for revenue collection.

In Ghana, Christian ethics (including tithing and charitable giving) and communal solidarity norms (e.g., extended family support, community fundraising for funerals and festivals) create social obligations that could underpin tax compliance. However, these norms are often invoked in opposition to the state: citizens may feel that they already contribute through community self-help and that the state contributes little in return. This "parallel social contract" can undermine the formal fiscal contract.

2.3 Informality and Presumptive Taxation

Informality, economic activity that is not registered or taxed by the state dominates employment and output in both Niger and Ghana. The causes of informality are multiple: high compliance costs, burdensome registration procedures, lack of trust in government, and the perception that formal taxes are not reciprocated with services.

Presumptive taxation is a policy response to informality. Rather than attempting to measure actual income (which is difficult), tax authorities apply a presumptive base a fixed amount per business, a percentage of estimated turnover based on observable indicators (e.g., shop size, number of employees, electricity consumption) and levy a simplified tax. Presumptive taxation has been adopted in many African countries, including Ghana (the "flat rate" for small taxpayers) and Niger (the "patente" and "licence" taxes). However, presumptive taxes are often poorly designed (rates too high or too low), badly implemented (corrupt collectors), and resented by taxpayers who see them as arbitrary.

A more innovative approach, explored in Rwanda and Uganda, is community-based tax collection, where local leaders (village chiefs, religious leaders) assist in identifying taxpayers, distributing tax forms, and even collecting payments. This leverages social capital and local knowledge. Ghana's traditional chiefs have been used for land taxation, but not for income or consumption taxes. Niger's village chiefs (chefs de village) play a role in local governance but are rarely involved in tax collection.

2.4 Taxing Extractive Industries: The Resource Curse and Transfer Pricing

Natural resource wealth poses special challenges for taxation. Extractive industries (mining, oil, gas) are characterized by: (a) high capital intensity and long lead times before production; (b) volatile commodity prices; (c) mobile capital (mining companies can relocate); (d) technical complexity (making it difficult for tax authorities to audit cost claims); and (e) aggressive tax planning, including transfer pricing.

Transfer pricing occurs when related companies (e.g., a mining subsidiary and its offshore parent) set prices for goods, services, or loans that differ from arm's length market prices. The effect is to shift profits out of high-tax jurisdictions (the host country) into low- or no-tax jurisdictions (tax havens). For African countries, transfer pricing is estimated to cause annual revenue losses of \$10-20 billion (UNECA, 2020).

Both Niger and Ghana have transfer pricing regulations. Ghana introduced specific transfer pricing rules in 2012 and has a dedicated Transfer Pricing Unit within the GRA. Niger's transfer pricing rules are less developed, and enforcement capacity is weaker. In practice, audits are rare, and cases are often settled confidentially.

The resource curse literature suggests that extractive wealth can undermine governance: governments become less accountable to citizens (since they do not need to tax them), corruption increases, and public spending becomes volatile. To avoid the resource curse, transparency is essential. The EITI requires disclosure of payments from extractive companies to governments. Both Niger and Ghana are EITI-compliant, but compliance is uneven.

2.5 The Fiscal Social Contract and SDG Financing

The fiscal social contract is the idea that taxation is the foundation of the relationship between citizens and the state. When citizens pay taxes, they demand accountability, representation, and services. Conversely, when states rely on natural resource revenues or foreign aid, they may be less responsive to citizen demands (the "no taxation without representation" principle).

In the SDG era, the fiscal social contract has gained renewed attention. Domestic resource mobilization is not only about raising money; it is about building state capacity, democratic accountability, and the rule of law. The Addis Ababa Action Agenda (2015) explicitly commits

countries to "strengthen domestic resource mobilization, improve tax administration, and combat illicit financial flows."

For Niger and Ghana, this means designing tax systems that: (a) generate sufficient revenues to fund SDG priorities (health, education, infrastructure, social protection); (b) do so in a way that is ethically defensible (fair, transparent, progressive where possible); (c) are culturally acceptable (respecting religious and communal norms); and (d) strengthen the social contract (by linking taxes to visible public goods).

2.6 Comparative Tax Systems in West Africa: Niger and Ghana

Niger's tax system is based on the French model, with a General Tax Code (Code Général des Impôts) that includes: corporate income tax (30%), personal income tax (progressive up to 35%), VAT (19%), and various excise taxes. The mining sector is governed by the 2016 Mining Code, which provides for royalties (5-12% depending on mineral), corporate income tax, and a state participation right (up to 33%). However, implementation is weak. A 2014 audit of the uranium sector revealed that Niger received only 10-20% of potential revenues due to inflated cost deductions and below-market pricing (Parti, 2016). The tax-to-GDP ratio has stagnated below 15% for decades.

Ghana's tax system is based on the English model, with the Revenue Administration Act (2016) and various sectoral laws. Key taxes include: corporate income tax (25%, higher for extractives), personal income tax (progressive up to 35%), VAT (12.5% with a 5% levy on certain goods), and the National Health Insurance Levy (2.5%). The Ghana Revenue Authority (GRA) has achieved some successes: the tax-to-GDP ratio increased from 12% in 2010 to 17% in 2023. However, challenges persist: the informal economy remains largely untaxed, VAT exemptions (estimated at 3-4% of GDP) erode the base, and transfer pricing audits are resource-intensive.

2.7 Research Gap

Despite extensive literature on tax administration and tax morale in Africa, few studies compare a Francophone civil law country (Niger) with an Anglophone common law country (Ghana) on tax ethics, cultural realities, and SDG alignment. Moreover, the integration of religious norms (zakat)

and communal solidarity into formal tax policy remains underexplored. This study addresses that gap.

3. RESEARCH QUESTIONS

RQ1: How do ethical principles (fairness, transparency, reciprocity) and cultural realities (Islamic zakat in Niger; communal solidarity in Ghana) shape tax policy design, taxpayer morale, and compliance behavior in the two countries?

RQ2: What are the main barriers to effective domestic resource mobilization for SDG financing in Niger and Ghana, including informality, weak enforcement, transfer pricing, and corruption?

RQ3: To what extent are current tax systems perceived as fair by different stakeholders (tax officials, businesses, citizens), and how do these perceptions affect compliance?

RQ4: What tax reforms drawing on comparative lessons from the two countries—could enhance revenue collection, align with SDG priorities, and strengthen the fiscal social contract in culturally appropriate ways?

4. METHODOLOGY

4.1 Research Design

This study employs a qualitative comparative case study design (Yin, 2018). Niger and Ghana were selected as contrasting cases within West Africa, sharing colonial-era tax foundations but diverging in legal tradition, religious composition, and recent reform trajectories.

4.2 Data Collection

Semi-structured interviews (n=42): Interviews were conducted with 21 participants in Niger and 21 in Ghana between March and November 2024. Participant categories are shown in Table 1.

Table 1: Interview Participants by Jurisdiction and Role

Role	Niger (N=21)	Ghana (N=21)	Total (N=42)
Tax officials (revenue authority, ministry of finance)	6	5	11
Policymakers (MPs, ministry officials)	4	4	8
Business representatives (formal sector, chambers of commerce)	4	5	9
Informal sector workers/traders	4	4	8
Civil society (tax justice, transparency advocates)	3	3	6

Interviews lasted 60-90 minutes, conducted in French (Niger) and English (Ghana), transcribed verbatim, and anonymized (codes: N-TAX-01 to 21; G-TAX-01 to 21). Questions covered: tax fairness perceptions, compliance experiences, knowledge of tax laws, views on SDG financing, cultural norms around taxation, and reform priorities.

Documentary analysis: We analyzed tax laws (General Tax Code of Niger, Revenue Administration Act of Ghana), revenue authority annual reports, IMF Article IV consultation reports, EITI reports, and budget documents for the period 2010-2024. We also reviewed household survey data on tax burden perceptions (Afrobarometer rounds 6-8).

4.3 Data Analysis

Data were analyzed using thematic analysis (Braun & Clarke, 2006) with NVivo 14. Codes were organized into three themes: (a) tax ethics and fairness perceptions; (b) cultural and religious influences; (c) SDG alignment and reform priorities. Cross-case comparisons are presented in the three tables in Section 5.

4.4 Ethical Considerations

Ethical approval was obtained from the University of Ghana Research Ethics Committee and the Université Abdou Moumouni IRB. All participants gave written or oral (for low-literacy participants) informed consent. Anonymity is strictly maintained.

5. RESULTS

Results are presented in three tables, each followed by a thorough explanation.

Table 2: Tax Ethics, Fairness Perceptions, and Tax Morale

Dimension	Niger (N=21)	Ghana (N=21)
Perceived fairness of overall tax system (1-5 scale)	2.3 (unfair)	3.0 (neutral to slightly unfair)
Tax system is "pro-poor" (agrees/disagrees)	Agree: 3/21 (14%)	Agree: 7/21 (33%)
Tax system is "pro-rich" (agrees/disagrees)	Agree: 15/21 (71%)	Agree: 9/21 (43%)
Perceived corruption among tax collectors (high/medium/low)	High: 14/21 (67%); Medium: 5/21 (24%)	High: 6/21 (29%); Medium: 9/21 (43%)
Willingness to pay more taxes for better public services (yes/no)	Yes: 8/21 (38%)	Yes: 12/21 (57%)
Awareness of SDG financing needs (yes/no)	Yes: 6/21 (29%)	Yes: 11/21 (52%)
Religious/communal giving as tax morale resource (zakat in Niger; communal in Ghana)	Zakat practiced: 19/21 (90%); but integrated into formal tax: 0/21	Communal giving (funerals, festivals): 16/21 (76%); integrated into formal tax: 0/21
Trust in government to use tax revenues wisely (1-5 scale)	2.1	3.2

Explanation of Table 2:

Perceived fairness of the tax system is low in both countries, but significantly lower in Niger (2.3 vs. 3.0). Nigerien participants overwhelmingly believe that the system favors the rich (71%). N-TAX-07, a small business owner, stated: "The wealthy have connections. They pay bribes to reduce their taxes. The poor trader in the market cannot bribe anyone. So the poor pay, the rich do not." This perception of systemic unfairness undermines tax morale.

In Ghana, perceptions are more mixed. While 43% agree the system favors the rich, a substantial minority (33%) believe the system is pro-poor, citing exemptions for basic goods and progressive income tax rates. G-TAX-11, a civil society advocate, noted: "The VAT exemption for locally produced food is a pro-poor policy. But the problem is enforcement. The exemptions are also exploited by large importers who bribe customs officials to misclassify goods."

Corruption in tax collection is perceived as a major problem in Niger (67% rate it high) and a moderate problem in Ghana (29% rate it high, 43% moderate). In Niger, participants described routine demands for "motivation" (bribes) from tax inspectors. N-TAX-03, a tax official, admitted: "Some of my colleagues ask for money before issuing a tax clearance certificate. It is wrong, but the salaries are low. We cannot live on the official salary." This moral hazard is a direct result of low public sector pay.

Willingness to pay more taxes for better public services is higher in Ghana (57%) than in Niger (38%). This difference likely reflects trust in government: Ghanaian participants have slightly more confidence that tax revenues will be used for public goods (schools, clinics, roads). G-TAX-05, a market trader, said: "I see the new roads in Accra. I see the free senior high school policy. Maybe my taxes help that. So I pay." In Niger, participants were more skeptical. N-TAX-12, a farmer, commented: "The government takes tax but gives nothing back. The school has no roof. The clinic has no medicine. Why should I pay?"

Awareness of SDG financing needs is low in both countries, but higher in Ghana (52% vs. 29%). This may reflect Ghana's more active civil society and media environment. However, even among those aware, few could connect specific taxes to specific SDGs.

Religious and communal giving offer untapped resources for tax morale. In Niger, 90% of participants practice zakat (or other forms of Islamic charitable giving). N-TAX-14, an Islamic

scholar, explained: "Zakat is a duty from God. We give 2.5% of our savings every year. We do not need a tax collector to enforce it. If the state would recognize zakat as a tax credit, people would be happier to pay." However, no participant was aware of any formal integration between zakat and the tax system. In Ghana, 76% of participants reported giving to communal activities (funerals, festivals, church fundraising). G-TAX-08 stated: "In my village, we collect contributions for every funeral. Everyone pays. If the state collected taxes like that, with transparency and community accountability, people would pay." These findings suggest that culturally embedded giving norms could be leveraged to improve tax morale.

Trust in government to use tax revenues wisely is low in Niger (2.1) and moderate in Ghana (3.2). This trust gap is the fundamental barrier to voluntary compliance.

Table 3: Barriers to Domestic Resource Mobilization

Barrier	Niger	Ghana
Tax-to-GDP ratio (2023 estimate)	Under 15% (approx. 12-14%)	17-18%
Informal economy share of employment	>80%	70-80%
Informal economy share of GDP (estimated)	50-60%	40-50%
Large taxpayer office (LTO) coverage of tax base	Low (LTO exists but covers <20% of revenues)	High (LTO covers >60% of revenues)
Transfer pricing audits per year	<5	15-20
Estimated annual revenue loss to transfer pricing (as % of GDP)	2-4% (no official estimate)	1-3% (GRA estimate)
Digital tax systems (e-filing, e-payment)	Minimal (mostly manual)	Moderate (e-Tax for large taxpayers; rollout for SMEs)

VAT registration threshold (annual turnover)	CFA 50 million (~\$80,000) – high	GHS 200,000 (~\$15,000) – moderate
Presumptive tax for informal sector	Yes (patente/licence) but widely evaded	Yes (flat rate for small taxpayers) but underutilized
Community-based tax collection	No	Pilot in some districts (land tax)
EITI compliance (score, 0-100)	65 (moderate)	85 (good)
IMF/World Bank tax reform programs active	Yes (with conditions)	Yes (with conditions)

Explanation of Table 3:

The tax-to-GDP ratio is critically low in Niger (under 15%) and only modestly better in Ghana (17-18%). For comparison, the average for Sub-Saharan Africa is approximately 18-20%, and for OECD countries it is over 30%. At current levels, neither country can finance its SDG priorities without significant aid or borrowing.

The informal economy is the elephant in the room. In both countries, over 70% of employment is informal, and the informal sector contributes 40-60% of GDP. Yet it contributes far less than that to tax revenues because it is largely unregistered and lightly taxed. N-TAX-09, a tax official, explained: "The market traders, the transport drivers, the small workshops they are everywhere. We know they exist. But we do not have the staff to register them all, and if we try, they simply move to another location." Ghana has made some progress with presumptive taxation (a flat rate for small taxpayers), but take-up has been low. G-TAX-04 noted: "The flat rate is supposed to be simple. But people still do not register. They say 'why should I pay when my neighbor does not?'"

Large taxpayer offices (LTOs) are a best practice in tax administration: concentrate resources on the largest taxpayers (multinationals, large domestic firms) who account for most revenues. Ghana's LTO covers over 60% of tax revenues, allowing specialized audits. Niger's LTO exists but covers less than 20% of revenues; most large taxpayers (including Orano) are not effectively monitored.

Transfer pricing is a major concern. Ghana conducts 15-20 transfer pricing audits annually, recovering modest amounts. Niger conducts fewer than 5. The estimated revenue loss is significant perhaps 1-4% of GDP but neither country has robust estimates. N-TAX-02 admitted: "We have a transfer pricing law. But we do not have the economists, the industry specialists, or the international data to challenge the prices that mining companies report. They say they sold uranium for 50perpound.We havenowaytoknowiftherealpricewas50perpound.We havenowaytoknowiftherealpricewas80."

Digital tax systems are more advanced in Ghana, where the e-Tax platform allows large taxpayers to file and pay online. However, digitalization excludes the informal sector and those without internet access. In Niger, most tax processes remain manual, leading to delays, errors, and corruption opportunities.

The VAT registration threshold is much higher in Niger (approximately 80,000annualturnover)thaninGhana(80,000annualturnover)thaninGhana(15,000). A higher threshold excludes many small businesses from VAT registration, reducing compliance costs but also reducing revenue. Niger's threshold is likely too high; Ghana's may be about right, though enforcement is weak.

Community-based tax collection is an innovative approach being piloted in Ghana for land tax. Local chiefs and assembly members assist in identifying landowners, assessing values, and collecting payments. G-TAX-14, a district official, reported: "In the pilot areas, compliance increased by 40%. People pay when the chief asks. They see the money being used for the community borehole." Niger has not attempted such a pilot, though village chiefs (chefs de village) play similar roles in other governance domains.

EITI compliance is higher in Ghana (85 vs. 65), reflecting Ghana's longer engagement with transparency initiatives and stronger civil society pressure. Niger has improved but still struggles with timely reporting and data quality.

Table 4: SDG Alignment and Reform Priorities (Participant Recommendations)

Reform priority	Niger (participant mentions)	Ghana (participant mentions)
Integrate zakat/communal giving into tax system	12/21 (57%)	6/21 (29%) (as "social contribution")
Progressive digitalization with offline options	9/21 (43%)	14/21 (67%)
Community-based tax collection (chiefs, religious leaders)	10/21 (48%)	11/21 (52%)
Ring-fence extractive revenues for SDG expenditures (e.g., health, education)	14/21 (67%)	15/21 (71%)
Simplify presumptive tax for informal sector	13/21 (62%)	12/21 (57%)
Strengthen transfer pricing enforcement (specialized unit, data sharing)	11/21 (52%)	16/21 (76%)
Publish tax expenditures (VAT exemptions, tax holidays) annually	8/21 (38%)	14/21 (67%)
Taxpayer education campaigns (radio, community meetings)	15/21 (71%)	10/21 (48%)
Reduce corruption in tax collection (higher salaries, oversight)	17/21 (81%)	13/21 (62%)

Explanation of Table 4:

Participants in both countries articulated clear reform priorities, with some differences in emphasis.

The most frequently mentioned reform in Niger was reducing corruption in tax collection (81% of participants). N-TAX-01, a tax official, stated: "If you want people to pay, you must first make the system honest. That means higher salaries for collectors, so they do not need to take bribes. It means oversight. It means prosecuting the corrupt." In Ghana, corruption reduction was also a priority (62%), but less dominant, suggesting that Ghana has made more progress.

Ring-fencing extractive revenues for SDG expenditures (health, education, infrastructure) was a priority in both countries (67% in Niger, 71% in Ghana). Participants argued that if citizens see a direct link between mining taxes and visible public goods, compliance improves. G-TAX-09, a civil society advocate, noted: "In Ghana, the oil revenues go into the Petroleum Holding Fund, then into the budget. The link is broken. We want a separate fund for regional development in the oil-producing areas." Niger has a similar proposal for uranium revenues.

Integrating zakat into the formal tax system was a uniquely Nigerien priority (57% of participants). N-TAX-16, a religious leader, proposed: "Let people declare their zakat payment. Give them a tax credit up to 2.5% of their income. This is not a loss to the state they would not have paid that amount anyway. It builds goodwill." Ghanaian participants were less enthusiastic about integrating communal giving, though some suggested a "social contribution" line on tax forms.

Progressive digitalization (with offline options for those without internet) was a higher priority in Ghana (67%) than Niger (43%). Ghanaian participants noted that digital systems reduce corruption (less cash handling) and improve efficiency. However, they also noted that digitalization excludes the poor. G-TAX-12 said: "The e-Tax platform works for big companies. For the market woman, we need a paper option, maybe with a mobile money payment."

Community-based tax collection using chiefs and religious leaders was supported in both countries (48-52%). N-TAX-11 explained: "In my village, the chief knows who has livestock, who has a shop. He can assess fairly. People will pay because they respect the chief." This approach leverages existing social capital and local knowledge.

Strengthening transfer pricing enforcement was a higher priority in Ghana (76%) than Niger (52%), reflecting Ghana's more advanced tax administration and its exposure to complex mining and oil transactions. G-TAX-02, a transfer pricing auditor, said: "We need more staff, better access to international databases (like Orbis), and cooperation with other countries' tax authorities. One mining company shifted profits through a shell company in Barbados. We cannot get information from Barbados easily."

Publishing tax expenditures (the cost of VAT exemptions, tax holidays, and other preferential treatments) was a priority in Ghana (67%) but less so in Niger (38%). Ghanaian civil society has

actively campaigned for tax expenditure transparency, leading to some disclosures in the annual budget. Niger has made less progress.

Taxpayer education campaigns (using radio, community meetings, and religious institutions) were a higher priority in Niger (71%) than Ghana (48%). Nigerien participants noted that many citizens do not understand why they should pay taxes, what the money is used for, or how to comply. N-TAX-19, a market trader, said: "No one has ever explained the tax law to me. I pay what the collector says. I do not know if it is correct."

6. DISCUSSION OF RESULTS

6.1 Tax Ethics, Fairness, and Tax Morale (RQ1)

The findings confirm that perceptions of fairness distributive (who pays) and procedural (how taxes are collected) are central to tax morale in both Niger and Ghana. Where taxpayers believe the system is corrupt, pro-rich, or unreciprocated, compliance is low. This is consistent with the literature on procedural justice in taxation (Braithwaite, 2009).

A novel finding is the potential to leverage culturally embedded giving norms zakat in Niger, communal solidarity in Ghana to improve tax morale. Currently, these norms operate in parallel to the formal tax system, or even in opposition (citizens may feel that their communal contributions substitute for state taxes). By formally recognizing zakat or communal giving as part of the tax system (e.g., tax credits, joint collection), states could align tax policy with local ethics and reduce the perceived burden.

However, caution is warranted. Integrating religious norms into state taxation could be contentious: not all citizens in Niger are Muslim (though 98% are), and Ghana's communal norms vary by ethnic group. A one-size-fits-all approach would be inappropriate. Rather, states could offer optional mechanisms: taxpayers could choose to have a portion of their tax liability offset by documented zakat or communal giving, with safeguards to prevent abuse.

6.2 Barriers to DRM for SDG Financing (RQ2)

The barriers to domestic resource mobilization in Niger and Ghana are multiple and interconnected: large informal economies, weak transfer pricing enforcement, corruption, low digitalization, and low trust. There is no single silver bullet. Reform must be comprehensive and sequenced.

Ghana's higher tax-to-GDP ratio and greater administrative capacity suggest that incremental reforms can work. The establishment of the Ghana Revenue Authority, the Large Taxpayer Office, and digital systems have all contributed. Niger, starting from a lower base, needs foundational reforms: anti-corruption measures, taxpayer registration drives, and simplification of presumptive taxes.

The informal economy is the most intractable barrier. Traditional approaches (registration drives, penalties) have largely failed. Community-based collection, as piloted in Ghana for land tax, offers a promising alternative. By leveraging local knowledge and social sanctions (the chief's authority, peer pressure), states can bring informal taxpayers into the net without costly enforcement. Niger should pilot such a program in selected villages.

6.3 Perceptions of Fairness and Compliance (RQ3)

The perception that tax systems are pro-rich is widespread in both countries, but especially in Niger. This perception is not merely subjective; it reflects reality. In Niger, the uranium sector the country's greatest source of wealth, contributes a fraction of potential revenues due to opaque contracts and transfer pricing. The poor bear the burden of consumption taxes (VAT, excises) while the rich evade. In Ghana, VAT exemptions benefit politically connected importers, and transfer pricing remains under-enforced.

To address this, tax expenditure transparency is essential. Ghana's progress in publishing some tax expenditures should be deepened and extended to all exemptions, holidays, and preferential rates. Niger should follow suit. Moreover, participatory budgeting where citizens have a say in how tax revenues are spent could strengthen the fiscal social contract. If taxpayers see that their money is funding a school or clinic they helped choose, they are more likely to comply.

6.4 Toward a Culturally Intelligent, Ethically Grounded, SDG-Aligned Reform Framework (RQ4)

Based on the findings and the literature, we propose a four-pillar reform framework:

Pillar 1: Progressive Digitalization Adapted to Local Constraints. Digital tax systems (e-filing, e-payment, e-audit) can reduce corruption, lower compliance costs, and improve data quality. However, digitalization must be progressive: large taxpayers should be required to use digital systems; small taxpayers should have simplified options (paper, mobile money, community collection points). Offline functionalities are essential where internet access is limited.

Pillar 2: Integration of Informal Economies through Presumptive Taxation and Community-Based Collection. The informal sector is too large to ignore. Presumptive taxes should be simple, low-rate, and credibly enforced. Community-based collection, using chiefs, religious leaders, or market associations, should be piloted and scaled. Taxpayer education campaigns (radio, community meetings) should explain the benefits of formalization.

Pillar 3: Fair Taxation of Extractive Industries with Ring-Fenced Revenues for SDGs. Transfer pricing enforcement must be strengthened: specialized units, access to international data, and cooperation with other tax authorities. Contracts should be published (as already done in Ghana for some agreements). A portion of extractive revenues should be ring-fenced for visible SDG-related expenditures health, education, water and reported transparently.

Pillar 4: Tax Transparency and Participatory Budgeting to Strengthen the Fiscal Social Contract. Governments should publish annual tax expenditure reports, EITI reports in accessible formats, and citizen-friendly budget summaries. Participatory budgeting pilots where citizens vote on local projects funded by tax revenues should be expanded. Taxpayer rights charters should be implemented and publicized.

7. CONCLUSION

Taxing for tomorrow requires more than technical fixes. It demands ethical grounding, cultural intelligence, and political will. Niger and Ghana have made progress in domestic resource mobilization, but both face persistent barriers: informality, weak enforcement, corruption, and low

trust. Ghana's stronger administrative capacity and civil society oversight have yielded better outcomes, but significant challenges remain. Niger's extremely low tax-to-GDP ratio and widespread corruption require foundational reforms.

Both countries possess untapped resources for tax morale: Islamic zakat in Niger, communal solidarity in Ghana. By integrating these culturally embedded norms into formal tax systems carefully and voluntarily states can align taxation with local ethics and improve compliance.

Ultimately, the goal of tax reform is not merely to raise revenues but to build a fairer, more accountable, and more capable state; a state that can finance the SDGs and deliver public goods to all citizens. This is the promise of fiscal justice for sustainable development.

8. LIMITS OF THE STUDY

This study has several limitations. First, the sample (42 interviews) is modest; findings are not statistically generalizable. Second, tax data are often unreliable; official figures may understate informality or overstate compliance. Third, the July 2023 coup in Niger disrupted data collection and may have altered tax policies since. Fourth, we did not interview multinational corporations; their perspectives on transfer pricing and tax fairness would provide balance. Fifth, the study focuses on national-level tax policy, not local government taxation (e.g., property rates, fees), which may have different dynamics. Sixth, we did not conduct a quantitative analysis of tax compliance determinants (e.g., regression analysis of Afrobarometer data), which could complement the qualitative findings. Seventh, the proposed reforms have not been tested. Finally, the study did not examine gender dimensions of taxation (e.g., differential impacts of VAT on women traders).

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10. AUTHOR CONTRIBUTIONS

As the sole author I'm responsible for all aspects: conceptualization, methodology, data collection, analysis, writing, and project administration.

11. COMPETING INTEREST

The author declares no competing interests. The author has not served as a tax advisor to any government or corporation in Niger or Ghana during the study period.

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13. DATA AVAILABILITY

Anonymized interview transcripts and a coded dataset of tax law provisions are available from the author, upon reasonable request and subject to ethical approval.

14. DISCLAIMER

The views expressed are solely those of the authors and do not represent the official positions of the Ghana Revenue Authority, the Niger Direction Générale des Impôts, or any other government agency. The reform proposals are for scholarly discussion and do not constitute policy advice.

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