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Abstract

Purpose – Fraud omnipresent in the media, the corporate world and the academic literature has attracted a great deal of research interest. Fraud and its various types and forms have been characterized as significant contributing factors to the development of severe financial crises. Recurrent financial crimes in both the private and the public sectors remind us that fraud and its negative consequences paralyze economic entities all over the world. Understanding the multidimensional nature of fraud is key to prevent and detect it. This paper aims to examine the dominant fraud triangle model framework and its variants developed in the accounting literature to provide the etiology of fraud.

Design/methodology/approach – Having identified the fraud theory developed so far, we provide a theoretical framework for international fraud triangle.

Findings – Understanding the multidimensional nature of fraud is key to prevent and detect it. This paper examines the dominant fraud triangle model framework and its variants developed in the accounting literature to provide the etiology of fraud. Drawing on theoretical insights and useful criticism of the fraud triangle, this paper proposes an international fraud triangle model framework to help auditors, managers, regulators and academics in understanding fraud holistically in the private and public sector in a global context. The authors finally provide an overview of fraud in the Greek Context.

Originality/value – This paper proposes an international fraud triangle model framework.

Keywords Fraud, Corruption, Fraud triangle

Paper type Research paper

Introduction

Fraud and its various types have been characterized as significant contributing factors to the development of severe financial crises. Recurrent financial crimes in both the private and the public sector remind us that Fraud and its negative consequences paralyze economic entities all over the world. Unpredicted corporate collapses, bank failures and a series of financial scandals since the early 2000s have posed fundamental questions about auditing (role, value and

