

# Macroeconomic and Policy Implications of Underground Economy and Tax Evasion

## Final programme

Università Bocconi  
7-8 June 2012

### First day: June the 7<sup>th</sup>, 2012 (Thursday)

**09.00** Opening: Welcome address

**09.30** Invited speaker: **Alberto Alesina** (Harvard University), *Fiscal policy after the Great Recession*

**10.45** Coffee break

#### Session I

##### Macroeconomic analysis of the shadow economy: empirics

Chair: M. Marè

**11.00** **R. Basile, B. Chiarini and E. Marzano:** *Can we Rely upon Fiscal Policy Estimates in Countries with Unreported Production of 15 Per Cent (or more) of GDP?*; Discussant: Orsi

**11.30** **R. Orsi, D. Raggi, and F. Turino:** *Estimating the Size of the Underground Economy: A DSGE Approach*; Discussant: Busato

**12.00** **F. Schneider and D. Teobaldelli:** *Beyond the Veil of Ignorance: The Influence of Direct Democracy on the Shadow Economy*; Discussant: Chiarini

**12.30** Lunch

#### Session II

##### Macroeconomic analysis of the shadow economy: theory

Chair: M. Maffezzoli

**13.30** **C. Granda-Carvajal:** *Do Borrowing-Constrained Informal Activities Matter for Aggregate and Firm Volatility?*; Discussant: Leal-Ordóñez

**14.00** **J. C. Leal-Ordóñez:** *Tax collection, informal sector, and productivity*; Discussant: Elgin

**14.30** **F. Pappadà and Y. Zylberberg:** *Austerity plans and tax evasion*; Discussant: Granda-Carvajal

**15.00** **C. Elgin and O. Oztunali:** *Shadow Economy and Pollution*; Discussant: Pappadà

**15.30** Coffee break

**Session III**  
**Tax Administration, auditing and tax evasion**  
Chair: E. Marzano

**16.00** J.-M. Durán-Cabré, A. Esteller-Moré, L. Salvadori: *Empirical evidence on horizontal competition in tax enforcement*; Discussant: Torrissi

**16.30** C. Fiorio and A. Santoro: *Taxpayer Response to an Increased Probability of Audit: Some Evidence from Italy*; Discussant: Tonin

**17.00** G. Ardizzi, C. Petraglia, M. Piacenza, G. Turati: *Measuring the Underground Economy with the Currency Demand Approach: A Reinterpretation of the methodology, with an application to Italy*; Discussant: Salvadori

**17.30** B. Torrissi, G. Skonieczny and E. Alessi: *A New Framework for Tax Enforcement and Audit Selection Strategy Based on The Structural Equation Models*; Discussant: Santoro

**20.00** Dinner at Bocconi Restaurant

**Second day: June the 8<sup>th</sup>, 2012 (Friday)**

**09.30** Invited speaker: **Michele Bernasconi** (University of Venice): *The problem of Tax evasion: lessons from behavioral economics*

**10.45** Coffee break

**Session IV**  
**Optimal taxation and tax evasion**  
Chair: F. Busato

**11.00** S. Gauthier and G. Laroque: *Second-best Random Redistribution*; Discussant: Simonovits

**11.30** A. Simonovits: *Does higher tax morale imply higher optimal income tax rate?*; Discussant: Maffezzoli

**12.00** C. Ho and N. Pavoni: *Optimal policy with Informal Child Care: An Efficiency Case for Sliding Scale Child Care Subsidies*; Discussant: Gauthier

**12.30** M. Maffezzoli: *Tax evasion under market incompleteness*; Discussant: Ho

**13.00** Lunch

**Session V**  
**Measuring the underground economy**  
Chair: B. Torrasi

**14.00 M. Pickhardt and J. Sardà:** *Size and Causes of the Underground Economy in Spain: A Correction of the Record and New Evidence from the MCDR Approach*; Discussant: Marzano

**14.30 E. Colombo, L. Onnis and P. Tirelli:** *The Shadow Side of Financial Crises*; Discussant: Pickhardt

**15.00 S. Mantegazza, S. Pisani and A. Viviani:** *Opening the Black Box: Hidden Economy and Productivity*; Discussant: Colombo

**15.30 Coffee break**

**Session VI**  
**Evidence about the underground economy in Italy**  
Chair: S. Mantegazza

**15.45 M. Maré and A. Motroni:** *Morale, family, and underground economy: some new evidences*; Discussant: Pisani

**16.15 E. Di Porto, L. Elia and C. Tealdi:** *The Emersion Effect: an analysis on labor tax evasion in Italy*; Discussant: Zizza

**16.45 M. Marino and R. Zizza:** *The personal income tax evasion in Italy: an estimate by taxpayer's type*; Discussant: Marè