## **Contents**

	Preface	ix
Part I	General Aspects	1
Chapter 1	Measuring the Hidden Economy: Though This Be Madness, There Is Method in It Bruno S. Frey and Werner W. Pommerehne	3
Chapter 2	Clandestine Employment: A Problem of Our Times Raffaele De Grazia	29
Part II	The Underground Economy in the United States	45
Chapter 3	America's Underground Economy Barry Molefsky	47
Chapter 4	Underground Economy and Tax Evasion in the United States: Estimates and Implications Vito Tanzi	69
Chapter 5	The Direct Approach to Measuring the Underground Economy in the United States: IRS Estimates of Unreported Income Berdj Kenadjian	93
Chapter 6	A Second (and More Skeptical) Look at the Underground Economy in the United States Vito Tanzi	103
Chapter 7	Statement of Robert Parker Robert Parker and John Gorman	119
Chapter 8	The Irregular Economy and the Quality of Macroeconomic Statistics Peter Reuter	125
Part III	The Underground Economy in Some European Countries	145
Chapter 9	A Glimpse of the Hidden Economy in the National Accounts of the United Kingdom Kerrick Macafee	147
		vii

viii	The Underground Economy in the U.S. and Abroad	
Chapter 10	What Do We Know about the Black Economy in the United Kingdom? Andrew Dilnot and C.N. Morris	163
Chapter 11	Recent Empirical Surveys and Theoretical Interpretations of the Parallel Economy in Italy Daniela Del Boca and Francesco Forte	181
Chapter 12	The Second Economy of Italy Bruno Contini	199
Chapter 13	The Hidden Economy in Norway  Arne Jon Isachsen, Jan Tore Klovland, and  Steinar Strøm	209
Chapter 14	The Underground Economy in a High Tax Country: The Case of Sweden Ingemar Hansson	233
Chapter 15	The Second Economy of the USSR Gregory Grossman	245
Part IV	The Underground Economy in Selected Other Countries	271
Chapter 16	Canada's Irregular Economy Rolf Mirus and Roger S. Smith	273
Chapter 17	Illegal Trade Transactions and the Underground Economy of Colombia Roberto Junguito and Carlos Caballero	285
Chapter 18	The Underground Economy in Australia Mark Tucker	315
Chapter 19	Estimate of Tax Evasion in Israel	323
	Index	333
	List of Contributors	339
	About the Editor	341