

Table 3 Main causes of the increase of the shadow economy

<i>Variable</i>	<i>Influence on the shadow economy (in %)*</i>	
	<i>(a)</i>	<i>(b)</i>
Tax and social security contribution burdens	35–38	45–52
Quality of state institutions	10–12	12–17
Labour market regulation	7–9	7–9
Transfer payments	5–7	7–9
Public sector services	5–7	7–9
Tax morale	22–25	–
Influence of all factors	84–98	78–96

(a) Average values of 12 studies

(b) Average values of empirical results of 22 studies

*This is the normalised or standardised influence of the variable average over 12 studies (column a) and 22 studies (column b)

Source: Schneider (2009)