

ABSTRACT

COMBATING INFORMAL ECONOMY AND THE CASE OF TURKEY

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In this study, the definitions on the informal economy in the literature, the scope of the informal economy and the general characteristics are mentioned. Outrecorded economy is a fact that not only it needs to analyze with the dimensions of social, psychological, political and moral but also it needs to analyze with the dimension of economy. According to the appearance of some reasons; it has been given kinds of titles. It's possible to name this fact outrecorded economy, but sometimes this fact is named as dark economy, cash economy, secret economy, hidden economy, underground economy, informal economy, unobserved economy. Due to its nature, it is impossible to estimate precisely the real size of the informal economy. But in the world and in Turkey, many studies have been made to measure the informal economy. In Turkey the size of informal economy is estimated to be approximately one-third of the economy. This rate is quite high, especially compared to advanced economies. Up to this time in Turkey, several concrete steps have been taken in the fight against the informal economy. However, their impact has been limited. To ensure success in this regard, more fundamental studies similar to the applications in developed economies, needs to be done.

Consequently, the way to prevent the outrecorded functions is to prepare healthy base and make it compulsory on the point of legal. So each citizen should have responsibility of paying their taxes and these taxes must be collected regularly and because it takes main part in our country's development. In this context, the main purpose of this study is to present applied policies and activities within the context of the fight against the informal economy in developed countries and in our country and to bring various solutions.

KEY WORDS: Informal Economy, Turkey, Solution Proposals