

Public governance and shadow economy in Central and Eastern European countries

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Abstract: *Nearly all the countries face to shadow economy with different sizes and try to keep the shadow economy at a minimum level considering its possible negative impacts on their economies. This study researches the relationship among various indicators of public administration and shadow economy in 11 Central and Eastern European economies during 2003-2014 period employing panel regression. We found that improvements in public administration and EU membership affected shadow economy negatively, while crises affected shadow economy positively.*

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