

## **Summary in English**

Keywords: underground economy, Romania, fiscal pressure, economic indicators, tax evasion, estimation methods,

In order to address this topic, we proposed a series of derived objectives aimed both at analyzing the national framework and at analyzing some derived indicators. The research has shown, through an in-depth analysis based on different models, that cultural dimensions such as Distance to Power and Uncertainty Avoidance have a major impact on taxpayers' tax behavior.

The underground economy can be defined as a multitude of activities that are illegal or at borderline legal in terms of monetary or non-monetary transactions. It cannot comply with government rules and laws. Aggressive taxation, strict regulations for certain types of activities, fear of losing certain social benefits, exaggerated flexibility in the use of labor, prohibition of certain types of activities, economic crises, COVID-19 pandemic are considered as causes of underground economy. The tax system, has been identified as a main factor for the initiation and development of the underground economy.

We are also willing to investigate an estimation of the underground economy. We have applied the MIMIC (Multiple Indicators Multiple Causes) model method. The results should be interpreted with due caution, given the limitations of estimation methods. Economic growth is a key indicator of a nation's economic performance, since it reflects not only the increase in output and income, but also the ability to attract investment and maintain a favorable business climate. The underground economy can therefore be an acute problem, as high levels of crime erode investor confidence, can discourage law-abiding economic activity and can significantly distort the market.