

## **THE INFORMALITY IN MEXICO: WHO ARE THE TRUE LOSERS?**

Topic: Gender and inequality

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In Mexico, more and more people are opting for the informal market as a means of subsistence, a situation that has led to considerable losses in terms of tax collection by the national government, especially income tax and social security. This has motivated us to ask ourselves, how much is being left to collect annually for taxes in this situation? What macroeconomic impact would the Mexican economy have before an exogenous impact in said amount? What impact would such collection have on the well-being of the population and inequality? For this, the National Household Income and Expenditure Survey (ENIGH) and a Social Accounting Matrix (SAM) constructed for Mexico for 2012 are used as a database. For the analysis, the Leontief model extended to an SAM is followed which seeks to determine the impact on the welfare of the population from the equivalent variation and the impact on inequality measured through the Gini Index. This research yields interesting results, which allow to make sound public policy decisions, focused on improving the distribution of income and in turn improving the welfare of the population