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**VAT gap, mandatory e-invoicing and a surprising Latin America: where can Hirschman's strategy lead us today?**

In the current heated debate regarding the introduction in Italy of mandatory e-invoicing, it's a rather surprising fact that the most advanced region in the world in this area is Latin America. This fact has led me to carry out a comparative analysis on the question which, in my opinion, can contribute to the debate in Italy and, most of all, support the planned change. In this regard, I've found the Hirschmanian teaching of "The Strategy of Economic Development" and, in particular, the study of "pacing devices" extremely useful, besides being extraordinarily relevant.

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The main issue is the current difficulty in obtaining also the hidden benefits of the policy or, for example, in admitting that some policies have collateral (and often hidden) effects; above all, such effects are able to trigger secondary mechanisms of change, acting in an indirect way which is impossible to obtain through any other direct policy.

The argument put forward in this contribution, that mandatory e-invoicing employed by the governments of countries with development problems to tackle persistent public financing crises, together with the (direct) effect of reducing the VAT gap, is able to produce other initially unexpected (indirect) effects that can promote the economic development of a country. This occurs, for example, when these effects become a (hidden) stimulus for improving value creation processes through a reduction in administrative costs, benefits at micro and macro level from greater transparency in economic and financial transactions, the possibility of using the data transmitted to improve management control and business performance, etc.

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Although no detailed studies have so far been carried out on the effects produced by the Latin America experience, it appears evident that such effects have occurred in several countries, starting from Mexico. There is probably a Hirschmanian lesson in all of this, the full extent of which still needs to be understood.

In Italy, there are, as yet, few accountants in favor of mandatory B2B and B2C e-invoicing, sufficiently convinced that it would give them the possibility of offering consultancy of higher added value and allow business clients to benefit from improved business operation and management tools. Their position is strongly opposed both inside and outside the accountancy profession by those who, instead, are convinced that the costs exceed the benefits and that, in any case, accountants will suffer considerable losses as a result of the operation.

It is probable, in this case, that the underlying political approach of the government and of the technicians working on the application of the reform process does not take sufficient account of the range of possibilities available and that, therefore, as currently formulated, the policy threatens to frustrate any obtainable results.

It is clear, therefore, that in such a situation, the Hirschmanian approach referred to can be very useful for fine-tuning the policy in question and for ensuring, in the end, the best possible results.