

**SUBSCRIBE NOW** and get **3 MONTHS** for the **PRICE OF 1** **SUBSCRIBE NOW**

**U.S. EDITION** Tuesday, May 7, 2013 As of 7:14 PM EDT

[Subscribe](#) | [Log In](#)

[Home](#) [World](#) [U.S.](#) [New York](#) [Business](#) [Tech](#) [Markets](#) [Market Data](#) **[Opinion](#)** [Life & Culture](#) [Real Estate](#) [Management](#) [C-Suite](#)

[Editorials](#) [Features](#) [Columns](#) [Political Diary](#) [Peggy Noonan's Blog](#) [Book Reviews](#) [Leisure & Arts](#) [Letters to the Editor](#)

TOP STORIES IN OPINION

6 of 12

**Martha Rayner: Obama's Prisoners at Guantanamo**



**Clifford Winston: How to Avoid Another FAA Fiasco**

7 of 12

**Notable & Quotable**

Subscriber Content Read Preview

8 of 12



**A Matter of Prudence**

REVIEW & OUTLOOK | Updated May 7, 2013, 7:14 p.m. ET

# Doing In Business at the World Bank

*An annual survey on free enterprise is under attack.*

Article

Comments (23)

MORE IN OPINION >

Email

Print

The World Bank has a better record swelling its own lending portfolio than alleviating global poverty, and these columns have argued that the world's poor would be best served by winding the institution down. The bank certainly wouldn't help its case for continued existence by axing the only useful thing it does.

Since 2003, the bank's annual Doing Business survey has reported on the regulatory environments facing small and medium businesses around the world. This year's report ranks 185 countries on 10 indicators, including starting a business, paying taxes, protecting investors, getting electricity and getting credit.

It is a titanic enterprise, involving the contributions of nearly 10,000 lawyers, accountants, businessmen and public officials world-wide. It provides policy makers with a common benchmark for evaluating progress on the regulatory and tax reforms that extensive evidence links to prosperity.



Enlarge Image

European Pressphoto Agency

World Bank Group President, Jim Yong Kim

If its critics are to be believed, the report is also unscientific and oppresses the poor. Last October, World Bank President Jim Yong Kim appointed an independent panel of experts to review Doing Business. The bank says the panel is merely aimed at "taking stock of the experience to date" and "mapping the way forward."

But there are troubling signs that the review is the first step toward watering down or doing away with crucial parts of the survey. The Financial Times reported Monday that pressure from China and other developing countries motivated the panel's creation and that Beijing favors eliminating the ease-of-business rankings entirely. Two advisers to the panel are longtime critics of the project. The panel is due to hand in its recommendations by the end of the month.

China is ranked a dismal 91st out of 185 countries in this year's report, but the campaign against Doing Business isn't merely a case of shooting the messenger. A joint letter submitted to the review panel by 20 charity and development organizations accuses the survey of putting the interests of employers above social equity. "[T]he best ratings were given to countries that did away with worker

PICK UP OR DOWNLOAD A COPY TODAY

**THE OPHELIA CUT**  
**JOHN LESCROART**  
New York Times bestselling author

**THE NEW PORTFOLIO TOOL ON WSJ.COM:**  
ENTER YOUR BROKERAGE ACCOUNT DETAILS.  
WE'LL GIVE YOU ALL THE NEWS AND INFO YOU NEED.

[LEARN MORE](#)

provided by LikeAssets

Available to WSJ.com Subscribers

**Skilling in Deal to Cut Prison Term**



**Americans Are Borrowing Again but Still Less Than Before Freeze**



**Leaner Airlines, Meaner Routes**



**Pentagon Plans for**



protection legislation, never had any or were known for their lack of respect for workers' rights," the letter said.

The humanitarian groups also don't like that the report ranks countries based on the onerousness of business taxation. "This can produce a race to the bottom where the tax rates are concerned, in the states' attempt to compete against one another for Foreign Direct Investment." And here you thought making your country attractive to investment was a good idea.

One adviser to the review panel told the Financial Times that the report contains a "deregulating bias." Which is exactly the point if countries want to grow and spread the wealth. There's a reason prosperous Singapore, Hong Kong and New Zealand are ranked 1st-3rd in the overall 2013 "ease of doing business" survey while Greece is 78th (despite three reforms last year) and Pakistan is 107th.

Behind the attacks on the survey lies a hostility to the premise that private enterprise and good governance are the surest path out of poverty. For flying this flag against so much other World Bank-abetted economic damage, the Doing Business report deserves to stay in business.

*A version of this article appeared May 8, 2013, on page A16 in the U.S. edition of The Wall Street Journal, with the headline: Doing In Business at the World Bank.*

JOIN THE DISCUSSION  
23 Comments, add yours

MORE IN  
Opinion »

Email Print Order Reprints

**THE NEW PORTFOLIO TOOL ON WSJ.COM:**  
ENTER YOUR BROKERAGE ACCOUNT DETAILS.  
WE'LL GIVE YOU ALL THE NEWS AND INFO YOU NEED.  
LEARN MORE  
provided by LikeAssets

**New Rule in WASHINGTON:**  
(APR 2013): If You Pay For Car Insurance You Must Read This Immediately  
www.ConsumerFinanceDaily.com

**Top 25 Bank CD Rates**  
Compare Certificate of Deposit Rates. Sort by APY, Ratings, Banks  
cdrates.Bankaholic.com

**Local Banks Directory**  
Find Banks in your local area - ATM, checking & banking services  
yellowpages.com

**News about penny stocks**  
What Our Subscribers Are Saying - Penny Stock  
www.Pennystockcrowd.com

### Don't Miss



**Gold Price Collapses in Panic Selling**



**Opinion: The Left's Louisville-Gate**



**How Much Sex Is 'Normal' for Couples?**



**The Motorcycle Equivalent of a Birkin Bag**

### the Worst in Syria



GET 3 MONTHS FOR THE PRICE OF 1 SUBSCRIBE NOW

### Don't Miss

[?]



**Louisville-Gate Ensnares McConnell, Ashley Judd**



**Best Retirement Move Almost Nobody Makes**



**Obama Would Like To Tap Into Your 401(k)**

### More in Opinion

- The Perez Stonewall
- Roger Pilon: Graduates, Your Ambition Is the Problem
- Berman and Protass: A Chance for Sentencing Reform
- Tough Tuesday for the NLRB
- Doing In Business at the World Bank

### Trending Now

What's This?

**1 Malaysian Premier Seeks Unity With Plan to Bolster Economy**



**Opinion: Roger Pilon: Graduates, Your Ambition Is the...**



**Turn Bad Stress Into Good**



**Bitcoin Startups Begin to Attract Real Cash**



**Thank You for Not Sharing**



Show 5 More

### You Might Like

- Fifty Has Seldom Looked So Good Bared
- Tough Tuesday for the NLRB


### Content from our Sponsors

- What's this?
- 10 Great Small Cities for Retirement (AARP)

Gold at \$800 Doesn't Sound So Funny Anymore

The Perez Stonewall

Roger Pilon: Graduates, Your Ambition Is the Problem

Ford thrilled with new hybrid's performance  (Ford)

Five Military Cuts That Would Fix Sequestration (BusinessWeek)

8 Job Offers You Should Run Away From (Salary.com)

Obama proposes capping IRAs (Bankrate.com)

**Add a Comment**

JOURNAL COMMUNITY

[View All Comments \(23\)](#)

[Community rules](#)

To add a comment please

[Log in](#)

[Create an Account](#)

Your real name is required for commenting.

Track replies to my comment

**(1200%) Stock?**

If This \$0.50 Stock Hits \$6.00, \$10,000 Will \$120,000. Learn How. [FinancierTimes.com](#)

**Best Local Banks**

Compare Today's Best CD, Mortgage, MMA Rates from Top Banks! [Banks.Bankrate.com](#)

**Bucharest Lodging**

3\* Downtown Apartments. 30 €/night. Book Now ! [BucharestRent.com/1-3\\_Bedrooms](#)

Subscribe Now for Full Access to WSJ.com and Get

## 3 MONTHS FOR THE PRICE OF 1

[Subscribe Now](#)

**WSJ Subscriber's content provides:**

- Personalized tracking of industries
- Heard on the street up-to-the-minute news and analysis that affects the markets and industries
- Core business news: "What's News" and new "Management" section

**Content from our Sponsors** [\[?\]](#)



FORBES.COM

**If You Want To Be Awesome At Emails, Add Yesware To Your Gmail Today**



FORBES

**C-Max Delivers On Ford Game Plan: Take A Bite Out Of Prius**



EDMUNDS

**When You Should Buy Your Next Car**

**Editors' Picks**



**Do Pickup Drivers Really Want Six-Cylinder Engines?**



**Skipper of America's Cup Faced Stormy Seas**



**Quick 'Charleston' Moves – Gatsby Style**



**Prostate Test Could Cut Need for Surgery**



**Turn Bad Stress Into Good**



[Subscribe](#) / [Login](#)

[Back to Top](#)

**Customer Service**

- Customer Center
- New!** Live Help
- Contact Us
- WSJ Weekend
- Contact Directory
- Corrections

**Policy**

- Privacy Policy
- Data Policy
- Copyright Policy
- Subscriber Agreement & Terms of Use

**Ads**

- Your Ad Choices
- Advertise
- Advertise Locally
- Place a Classified Ad

**Tools & Features**

- Apps
- Newsletters and Alerts
- Graphics & Photos
- Columns
- Topics
- Guides
- Portfolio
- Old Portfolio

**More**

- Register for Free
- Reprints
- E-books
- Content Partnerships
- Conferences
- SafeHouse
- Mobile Site
- News Archive

Jobs at WSJ

Copyright ©2013 Dow Jones & Company, Inc. All Rights Reserved.