

PCM009

EASE OF DOING BUSINESS RANKING REFLECTS THE GOODNESS OF THE ECONOMY: A MISCONCEPTION OR FACT?

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Abstract

Governments and Regulatory bodies are focusing on the reforms to stimulate and maintain economic growth of their country. With this objective, they try to improve the regulatory framework to provide better business environment. Economic growth is affected by many factors and regulatory framework is one of them. Within this regulatory framework, World Bank Group has initiated “Doing Business” project which measures the business regulation. This paper attempts to study the relation of Ease of Doing Business (EoDB) index with GDP Growth Rate and GDP Per Capita Growth Rate. The study aims to check whether the statement “Ranks in EoDB index reflects the goodness of the Economy” is a misconception or not? The finding of the study supports that it is a misconception and not a fact.

Keywords: EoDB Index, GDP Growth Rate, Business Regulations