At its core, regulation is about freedom to do business. Regulation aims to prevent worker mistreatment by greedy employers (regulation of labor), to ensure that roads and bridges do not collapse (regulation of public procurement), and to protect one's investments (minority shareholder protections). All too often, however, regulation misses its goal, and one inefficiency replaces another, especially in the form of government overreach in business activity. Governments in many economies adopt or maintain regulation that burdens entrepreneurs. Whether by intent or ignorance, such regulation limits entrepreneurs' ability to freely operate a private business. As a result, entrepreneurs resort to informal activity, away from the oversight of regulators and tax collectors, or seek opportunities abroad—or join the ranks of the unemployed. Foreign investors avoid economies that use regulation to manipulate the private sector.

By documenting changes in regulation in 12 areas of business activity in 190 economies, *Doing Business* analyzes regulation that encourages efficiency and supports freedom to do business.[1] The data collected by *Doing Business* address three questions about government. First, when do governments change regulation with a view to develop their private sector? Second, what are the characteristics of reformist governments? Third, what are the effects of regulatory change on different aspects of economic or investment activity? Answering these questions adds to our knowledge of development.

With these objectives at hand, *Doing Business* measures the processes for business incorporation, getting a building permit, obtaining an electricity connection, transferring property, getting access to credit, protecting minority investors, paying taxes, engaging in international trade, enforcing contracts, and resolving insolvency. *Doing Business* also collects and publishes data on regulation of employment as well as contracting with the government (figure O.1). The employing workers indicator set measures regulation in the areas of hiring, working hours, and redundancy. The contracting with the government indicators capture the time and procedures involved in a standardized public procurement for road resurfacing. These two indicator sets do not constitute part of the ease of doing business ranking.

Research demonstrates a causal relationship between economic freedom and gross domestic product (GDP) growth, where freedom regarding wages and prices, property rights, and licensing requirements leads to economic development.[2] Of the 190 economies measured by *Doing Business 2020,* land registries in 146 lack full geographic coverage of privately owned land. All privately held land plots are formally registered in only 3% of low-income economies. Overall, on the registering property indicator set, 92 economies receive a score of zero on the geographic coverage of privately owned land index, 12 on the transparency of information index, and 31 on the reliability of infrastructure index. Globally, property registration processes remain most inefficient in the South Asia and Sub-Saharan Africa regions.

Doing Business 2020 shows that effectiveness of trading across borders also varies significantly from economy to economy. Economies that