Smart Countries, Foolish Choices

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The Golden Triangle

In the post–Cold War period we have arrived at some assumptions about what makes countries friendly to the United States, and some, unfriendly. A few observers have posited that being part of the Anglosphere—possessing that shared history of law and language—makes countries friendly. Others have noticed that countries that are "city-ish"—dominated by urban centers—are more likely to be friendly.[1] These thinkers hark back to old city-state alliances such as the Hanseatic League as models of comity. The general sense is also that governments of countries that are more entrepreneurial—India, say—are likely to be more pro-American. Somehow it does not come as a surprise that India's rapid economic growth has been accompanied by a dramatic turn away from the old Nehruvian hostility. The negotiation of India's civil nuclear deal with the George W. Bush administration seems to have something to do with the number of limos ferrying venture capital executives up and down Mumbai's Marine Drive.

Yet another correlation feels intuitive. Governments of countries with mineral wealth, especially oil wealth, seem less happy and also less friendly to the United States. Scholars have long noted a Midas phenomenon: commodity wealth, no matter how luxurious, fails to bring happiness in the form of growth or political stability as expected. In the time of the great European empires, commodity wealth often turned colonizers into tyrants. Marxist scholars posited that the wealth itself was part of the problem. More recently, mainstream economists have observed the narrow phenomenon of Dutch Disease—when, as in the case of the Netherlands, new oil wealth drove currency value upward and therefore drove the price of other Dutch products up, weakening exports and hurting the economy generally. Yet others have seen the resource wealth problem more generally. In 1982 Jahangir Amuzegar wrote an article in *Foreign Affairs* titled "Oil Wealth: A Very Mixed Blessing."[2] In *The Paradox of Plenty: Oil Booms and Petro-States*, Terry Lynn Karl traces the disappointing trajectories of oil states from Venezuela to Saudi Arabia, whose oil minister, Sheikh Zaki Yamani, told her in 1979 that "All in all, I wish we had discovered water."[3] Today, oil in Nigeria has given rise to the militant group Movement for the Emancipation of the Niger Delta (MEND). As a *National Geographic* photo series recently noted in a caption to a photo essay, "After 50 years of oil, Port Harcourt in

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[1] The cosmopolitan thesis is laid out in the recent Council on Foreign Relations Arthur Ross Book Award winner by Kwame Anthony Appiah, *Cosmopolitanism: Ethics in a World of Strangers* (New York: W.W. Norton, 2006).
[2] *Foreign Affairs*, Vol. 60, No. 4, Spring 1982.
[3] *The Paradox of Plenty: Oil Booms and Petro-States* (Berkeley, CA: University of California Press, 1997).

Southern Nigeria still looks and smells like a shanty town."[4] In the post-9/11 period, the oil issue has taken on a new urgency. These days the geeky phrase "resource curse" pops up frequently.

There are yet other, additional assumptions underlying the current discussion. One is that countries that are entrepreneurial are not resource-rich. In fact, friendliness to the United States, entrepreneurship, and resource wealth appear to form a mysterious triangle.

This paper represents a first-pass effort at demystifying the triangle. It seeks to quantify the relationship of these three characteristics of national personality. Given the high level of emotion currently dominating the foreign policy discussion, such an analytic approach may offer a welcome break to even those who are not numerically oriented. We start by reviewing measures of entrepreneurship to determine which might be most appropriate in such an experiment. Such a review is important because the concept of entrepreneurship, while becoming better known, still means something slightly different to different people.

Second, we look over measures of natural resources and select what seems to be the clearest proxy measure: oil wealth in countries' economies. Then we look at the relationship between entrepreneurship and oil wealth. It turns out that countries that are entrepreneurial indeed tend to have less oil wealth. Third, we look for a measure of friendliness to the United States, settling on the extent to which countries vote with the United States in the United Nations as the handiest proxy measure of their friendliness.

We compare data on entrepreneurship and national oil wealth to the data on friendliness. We find that "smart" countries—countries that are entrepreneurial—are friendlier to the United States. We also find that the presence of oil wealth makes it less likely that countries will vote with the United States in the United Nations. Countries where oil plays a large part in the economy tend to be less friendly.

Some may dismiss our entire approach as one that confuses consequence with cause. Maybe the Anglo influence is what makes the countries entrepreneurial. Or perhaps the Anglo influence, and that of colonizers beyond the British empire, caused the Middle East or Africa to be hostile now. Still, the triangle of oil wealth, entrepreneurship, and official friendliness to the United States is compelling enough to warrant entertainment from all angles.[5]

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[4] *National Geographic,* February 2007, "The Curse of Nigerian Oil."

[5] Here we are not referring to the attitude of people but rather of the governments. A recent 47-nation survey by the Pew Research Center found several African nations to have a favorable view of the United States. This survey can be found at http://pewglobal.org/reports/display.php?ReportID=256.

In the final part of our paper, we introduce several hypotheses for why these relationships hold. We conclude it is in the U.S. interest to support education and economic diversification in petro-states so they can become more entrepreneurial and friendly. It is probably also useful for the United States to foster economic "climate change" in those countries—to help those countries understand what changes provide a better environment for enterprise.

But the very first step for the U.S. government, and especially its foreign service, is to learn to recognize and value "smart" countries, so that they can in turn value their own smarts. As in school, the smart characters on the global playground tend to be the nice ones. But the smarties need support, or the bullies prevail.

Which Countries are Entrepreneurial?

A short review of indexes is worthwhile. Entrepreneurship is a form of enterprise that springs from new ideas that lead to innovations, productivity gains, and growth. Indexes of entrepreneurship fall into two classes: direct measures and indirect measures.

Direct measures seek to quantify explicitly entrepreneurial activity in a country. The two leading direct measures are the World Bank's business entry-rate data set[6] and the Global Entrepreneurship Monitor's (GEM) annual Total Entrepreneurship Activity (TEA) index.[7] Both have some shortcomings. The World Bank entry-rate data set covers relatively few countries, but is systematic. The GEM TEA indexers compile data through the process of conducting telephone interviews in countries that are part of their annual study. Telephone and face-to-face interviews, upon which GEM heavily relies, are of limited use because their outcomes may not necessarily reflect the realities in the economic and political environment.

We found that these two direct measures of entrepreneurship sometimes come out similarly. But in the case of several important countries—Germany, the United Kingdom, and Thailand—there are dramatic differences. A strong correlation, in which countries tended the

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[6] This study comprises data collected from country business registers using the first annual World Bank Group Questionnaire on Entrepreneurship. Data is collected for as many years as available between 1990 and 2003. Entry rate is a ratio of the new firms over total firms for each country. Other datasets provided in the study include: total firms, new firms, closed firms, business density, exit rates, and turbulence. We have decided to use entry rates as a proxy for understanding entrepreneurial impulses in countries across the world. Available at http://econ. worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTRESEARCH/0,,contentMDK:21164814~pagePK:64214825~ piPK:64214943~theSitePK:469382,00.html.

[7] Global Entrepreneurship Monitor Executive Report 2005. Available at http://www.gemconsortium.org/download/ 1181856479640/GEM_2005_Report.pdf.

way three out of four times, would be 0.75. The correlation between the two direct measures exists, but is, at 0.13, insufficient. We chose the World Bank data as our direct measure.

Indirect Measures of Entrepreneurship

As a result of the constraints of the direct measures, we also turned to indirect measures of entrepreneurship.[8] Indirect measures look rather at the economic climate for entrepreneurs.

Some of the critical indexes that provide proxies for entrepreneurship include:

1. The World Bank's *Doing Business in 2005: Removing Obstacles to Growth,* a second World Bank report, different from the entry-rate study.
2. *Economic Freedom of the World: 2006 Annual Report*, published by the Fraser Institute.
3. The World Bank's *Enterprise Surveys*.
4. The *Investment Climate Reports* for different countries, published by the U.S. State Department.
5. *Corruption Perception Index,* published by Transparency International.
6. *The Growth Competitiveness Report,* published by the World Economic Forum.
7. *Index of Economic Freedom,* published by the Heritage Foundation and the *Wall Street Journal.*
8. *The Global Information Technology Report 2006–2007,* Networked Readiness Index, published by the World Economic Forum.

Because their data are the most thorough, we make most extensive use of three indexes: the Heritage Foundation/*Wall Street Journal*'s *Index of Economic Freedom* for 2007; the Fraser Institute's *Economic Freedom of the World* index for 2006; and the World Bank's *Doing Business* report for 2005.

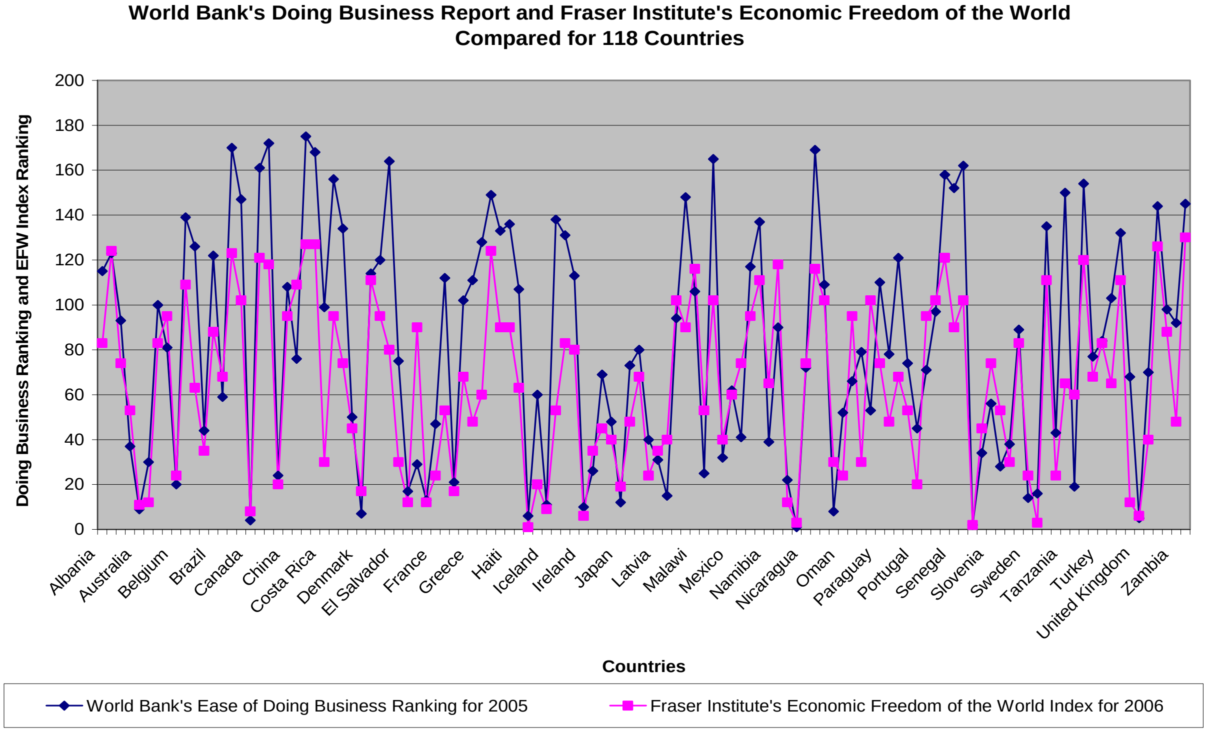
The 2007 Heritage Foundation/*WSJ* Index includes a quantitative methodology that measures ten different factors or "freedoms"—such as economic freedom, monetary freedom, property rights, and labor freedom.

[8] This is not an exhaustive list, and several other valuable indexes were found, which could be added to the list. However, we are limiting the list to only the most useful proxy measures. Some other indexes included the *2004 Opacity Index* produced by the Kurtzman Group and the *International Property Rights Index* of the Property Rights Alliance.

In a similar manner, *Economic Freedom of the World,* published by Canada's Fraser Institute, also ranks economic freedom in countries based on several factors, such as the size of government, legal structure and security of property rights, access to sound money, and freedom to trade internationally. The World Bank's *Doing Business* report ranks and lists the countries based on their economic performance and openness. The years of publication of these three indexes are not identical (as they were not available for the same year at the time of data collection), but we believe the periods covered lie close enough to approximate the current economic trends of different countries. (See Boxes 1 and 2 in the appendix of this report.)

We feel comfortable relying on these indirect indexes as proxies for entrepreneurship because they correlate with one another. Figure 1, for example, highlights the statistical relationship between two indirect measures—Fraser's 2006 *Economic Freedom of the World* index and the World Bank's 2005 *Doing Business* measure (comparing data on 118 countries). The data highlight an extremely strong correlation (of 0.8) between the rankings presented in the two indexes.

Figure 1
Same Definition of a Good Business Environment, Strong Correlation

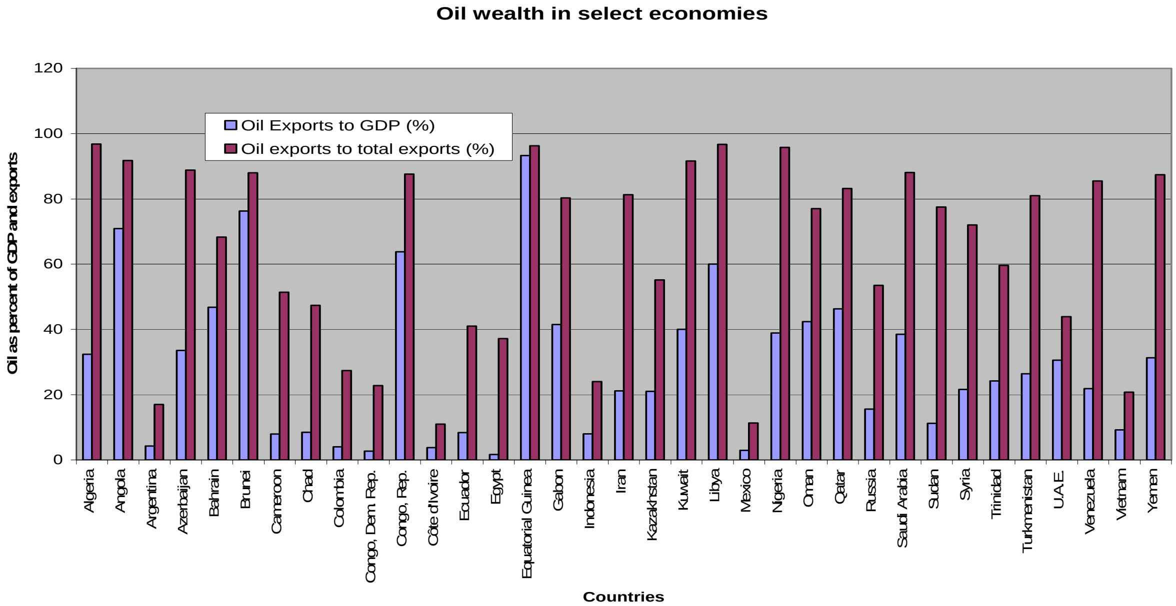


Sources: *Doing Business in 2006*, World Bank's *Doing Business* reports; *Economic Freedom of the World for 2006,* the Fraser Institute. Available at http://www.freetheworld.com/2006/EFW2006complete.pdf.

The Oily Personality

What about natural resources? Creating diamond indexes, or even opium indexes, is tempting. But we decided that oil wealth served as the best proxy for a country's resource wealth. We wondered which measure of oil wealth to use. Figure 2 shows oil wealth by countries that export oil. We used two measures—oil exports as a share of total exports, and oil exports as a share of the economy overall. (See Box 3 in the appendix.)

Figure 2



Sources: IMF Country Reports, available at http://www.imf.org/external/country/index.htm. Also see data from M. Basedau and W. Lacher, *A Paradox of Plenty? Rent Distribution and Political Stability in Oil States*, GIGA Working Paper No. 21. Available at http://www.giga-hamburg.de/content/publikationen/pdf/wp21_basedau-lacher.pdf. The data for countries is from the years 2001–2005.

Both measures of oil wealth are useful. We chose the second because it seems to come closer to day-to-day economic reality.

Next, we looked at petro-wealth and entrepreneurship, and discovered these two represented an either/or proposition: countries were either entrepreneurial or wealthy in oil, but they were rarely both.

The trade-off is clearly visible when examining entrepreneurship rates in the *Doing Business* report versus oil wealth.

Figure 3

Oily, and Hostile to Business

Country	World Bank's Doing Business Ranking	Oil Exports to Total Exports (%)
Algeria	123	96.8
Angola	155	91.8
Argentina	93	17
Azerbaijan	100	88.8
Cameroon	147	51.4
Chad	172	47.4
Colombia	76	27.4
Congo, Dem. Rep.	175	22.8
Congo, Republic	169	87.6
Côte d'Ivoire	156	11
Ecuador	120	41
Egypt	165	37.2
Indonesia	131	24
Iran	113	81.3
Kazakhstan	82	55.2
Kuwait	40	91.6
Mexico	62	11.3
Nigeria	109	95.8
Oman	52	77
Russia	97	53.5
Saudi Arabia	35	88.1
Sudan	161	77.5
Syria	135	72
U.A.E.	68	43.9
Venezuela	144	85.5
Vietnam	98	20.8
Yemen	101	87.4

Sources: The World Bank's *Doing Business* rankings (2005); oil exports data for 2002–2005 from Basedau and Lacher, *A Paradox of Plenty? Rent Distribution and Political Stability in Oil States.*

Are They Friendly?

Next, we return to our original question: Are entrepreneurial countries and petro-states more friendly to the United States? To rate a country's political friendliness toward the United States, we look at voting patterns in the UN General Assembly (UNGA). The voting patterns will be used as the primary quantitative measure.[9]

The UN has two kinds of votes: votes on nonconsensus issues—new issues on which there was no agreement—and votes on consensus issues—those areas where there is already agreement. We used nonconsensus votes as our primary measure, since they indicate the direction in which a country is heading as it makes individual decisions. (See Box 4 in the appendix.)

We compared the entrepreneurship data and the petro-state data to such nonconsensus votes.[10] There was indeed a significant positive relationship between the pro-U.S. votes and the level of enterprise in a country, whether we used the direct or indirect measures of entrepreneurship.

When a direct measure is compared to UN voting coincidence, we can clearly see that countries that are more entrepreneurial—in this case, those with higher business entry rates as compiled by the World Bank—have also voted more often in support of the United States on new nonconsensus issues at the UN General Assembly in 2005.

Figure 4 highlights this relationship between the level of entrepreneurial activity as measured by a direct index, the World Bank's entry index in 2003, and UN votes. For instance, the United Kingdom, with 19 percent business-entry rates, also had one of the highest UN votes supporting the United States—at 55 percent. So did New Zealand and Australia, with 18 percent and 11 percent entry rates, and 41 percent and 58 percent supporting votes toward the United States. Furthermore, Nigeria, with 8 percent entry rates, voted far less in support, at 20 percent. Pakistan, with 4 percent entry rates, voted with the United States only 8 percent of the time.

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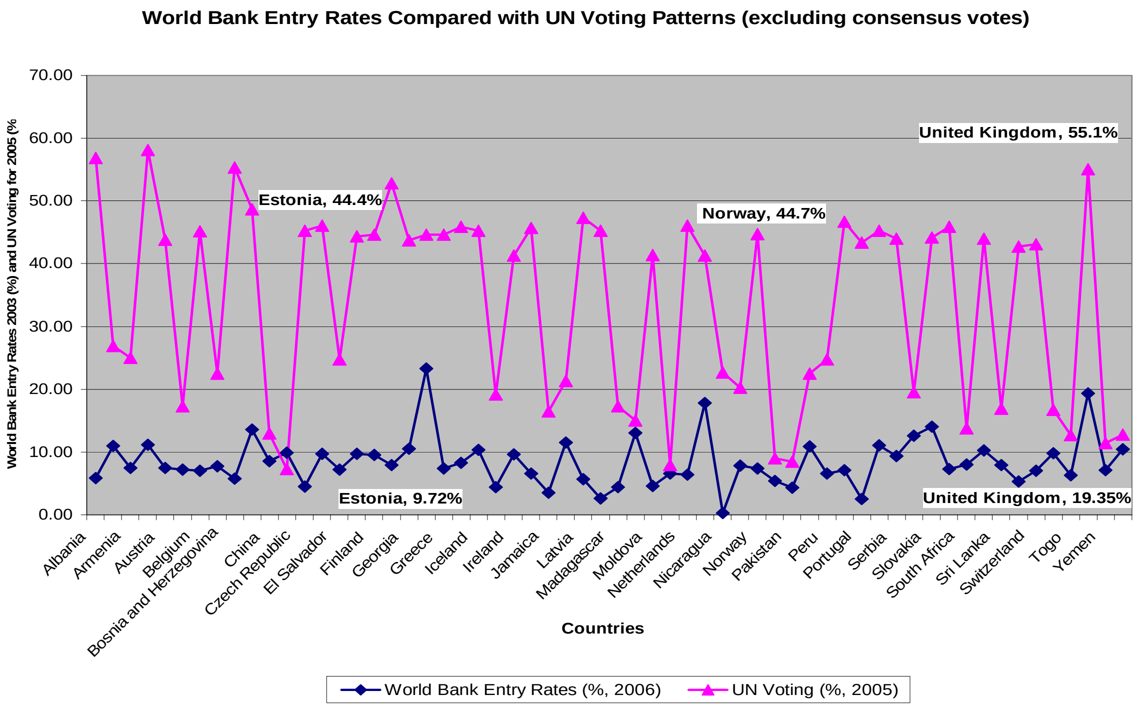
[9] To be sure, there could be other factors driving the voting decisions of UN member countries. The amount of U.S. foreign aid received by member countries is one such factor. Additionally, the topic on which votes are cast can also have a significant impact on how countries vote, and can change outcomes from year to year.

[10] The definition of voting "including consensus" can be found at the U.S. State Department's website, http://www.state.gov/p/io/conrpt/vtgprac/.

Figure 4

Entrepreneurial Countries Are Friendly Countries

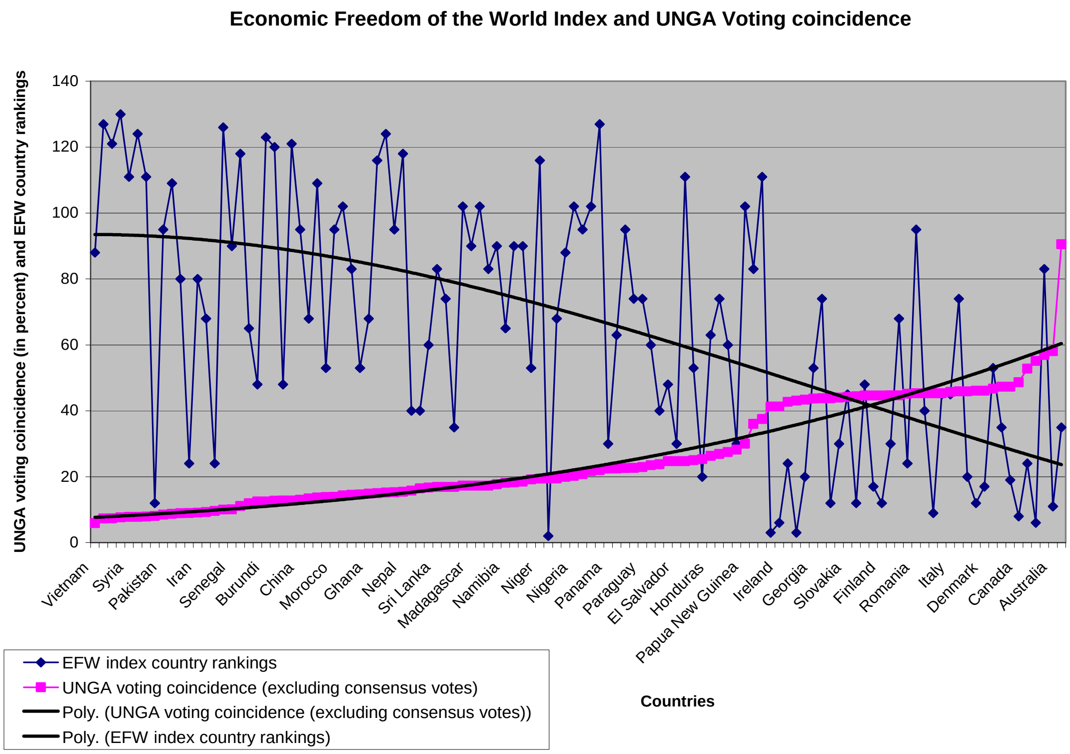


Sources: The World Bank's entry rate data, World Bank; UN General Assembly voting patterns for 2005. UN General Assembly voting practices data, available at http://www.state.gov/p/io/conrpt/vtgprac/.

Often we assume that poor countries will vote against the United States—the wealth divides. However, even poor countries vote with the United States if they are entrepreneurial. Examples include Albania, Estonia, Georgia, Latvia, Slovakia, and Serbia. This data suggests that the old explanation that poor countries are aligned against the rich United States and its allies does not tell the whole picture.

The relationship overall between entrepreneurship and pro-U.S. votes is also strong looking at the indirect measures of entrepreneurship. Countries with entrepreneurial climates—the indirect measure—vote more often in support of the United States. Figure 5 compares our first indirect measure of entrepreneurship—the Fraser Institute's economic freedom measure—to the critical nonconsenus new issue votes. We found that countries with less entrepreneurial climates also supported the United States less often. As the voting coincidence rises, country performances in the Economic Freedom measures show significant improvements.

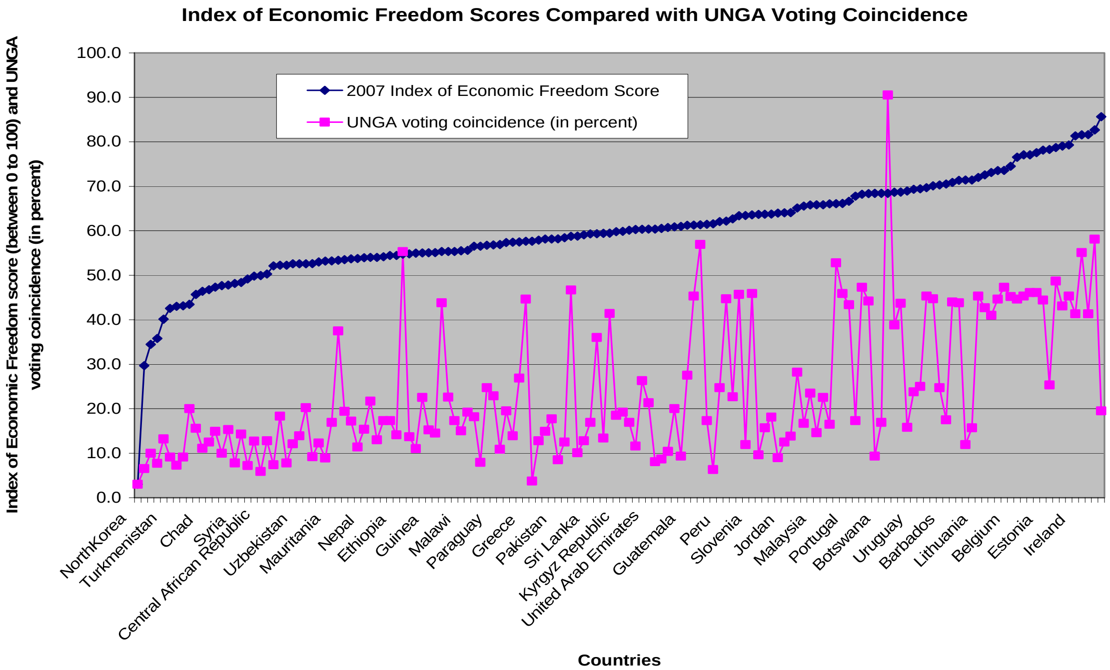
Figure 5



Sources: UN General Assembly voting patterns for 2005; *Economic Freedom of the World* 2006 Annual Report, the Fraser Institute.

We also compared UN voting coincidence with the scores for countries on a second measure, the Heritage Foundation/*Wall Street Journal*'s 2007 Index of Economic Freedom. As seen in Figure 6, the results are similar—as country scores improve on the index, a change indicative of a more favorable economic environment, their UNGA votes also correlate more with pro-U.S. votes.

Figure 6

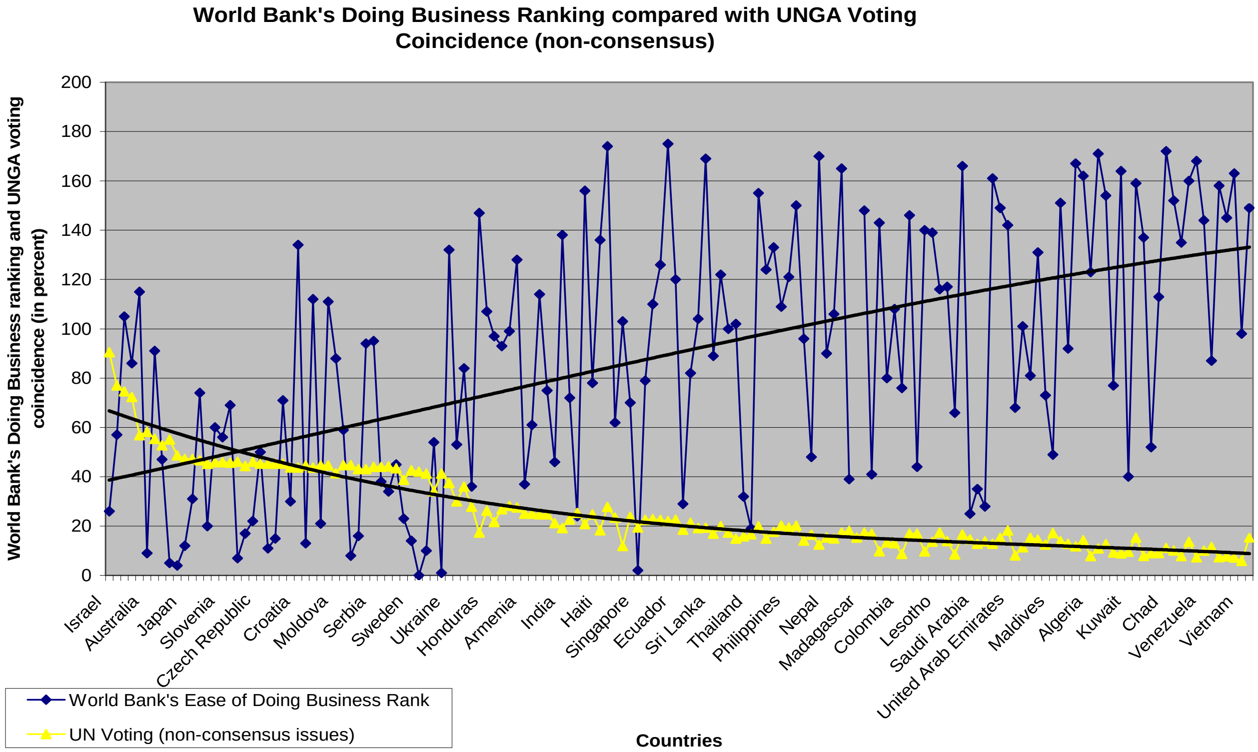


Sources: Heritage Foundation and the *Wall Street Journal*'s 2006 Index of Economic Freedom. Available at http://www.heritage.org/research/features/index/downloads.cfm. See also the UN General Assembly voting patterns for 2005.

Finally the correlation also holds when the World Bank *Doing Business* rankings are compared to the UN voting data. Countries with higher rankings on this last indirect index exhibit greater support for the United States in the UNGA. For instance, Australia, ranked number nine on the *Doing Business* scale, also has one of the highest nonconsensus UNGA votes, with 58 percent support for the United States. As seen below, the downward trend line in voting patterns matched to worsening in the country rankings on the *Doing Business* measure.

Figure 7

Less Entrepreneurial Freedom, Less Friendly



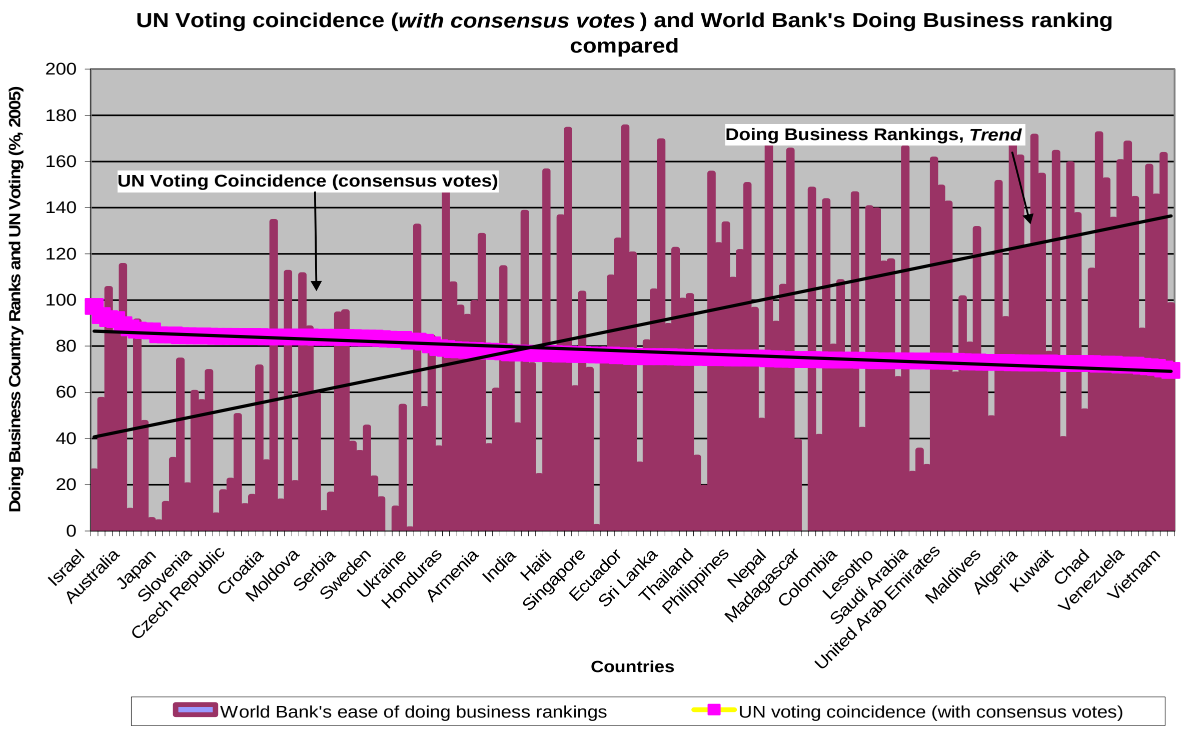
Sources: World Bank's *Doing Business* rankings (2005); UN General Assembly voting patterns for 2005.

What about total votes in the UN, including both consensus and nonconsensus votes? The figure shown below examines the relationship between overall UNGA voting (with consensus) and rankings from the World Bank's *Doing Business* report.

As shown in the figure below, the trend lines for both measures are clear indicators of the expected relationship. The UN votes (including consensus) as a total slowly decline, while the *Doing Business* ranks show an upward trend—i.e., as we move further away into the graph, we find that countries that are less entrepreneurial, or less free, are also offering fewer supporting votes to the United States at the UN General Assembly.

Figure 8

They Vote with the United States



Sources: World Bank's *Doing Business* rankings (2005); UNGA voting patterns (including consensus votes) for 2005.

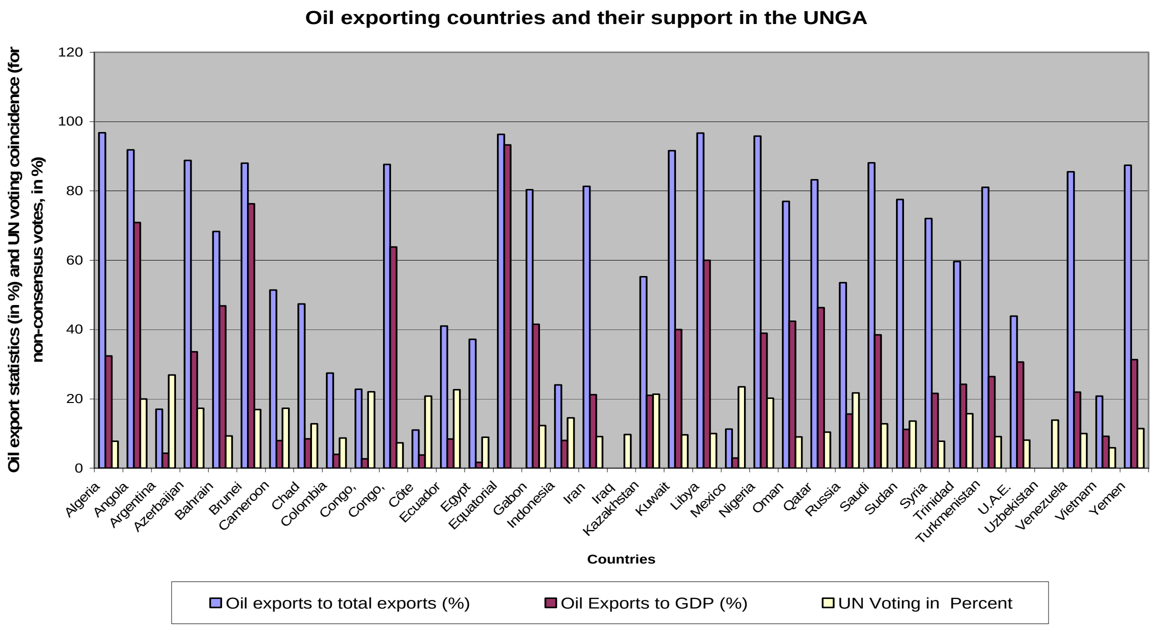
(See Box 5 in the appendix for tabular illustration.)

The Oil Factor Again

What about national oil wealth in relation to UN votes? First we analyzed the numbers for countries, ranked by oil exports as a share of GDP, against UN votes in the nonconsensus category. Again, we found a pattern. The "oilier" a country's economy was, the less likely it was to support the United States. For example, Venezuela, Iran, and Nigeria have voted at only 10 percent, 9 percent, and 20 percent in support of the United States in the nonconsensus category.

Figure 9

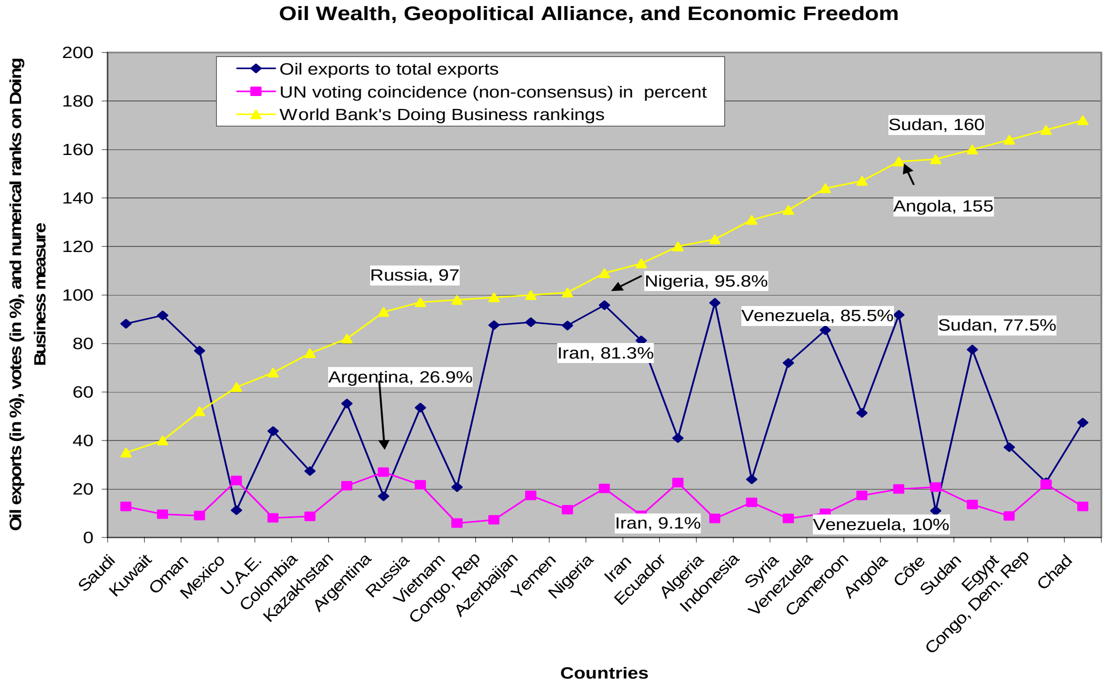
Oily Countries Aren't Good Allies



Sources: IMF Country Reports; UN General Assembly voting practices data for 2005, U.S. State Department; Basedau and Lacher, *A Paradox of Plenty? Rent Distribution and Political Stability in Oil States*. Oil data for 2002–2005.

Finally, to show all the relationships here at work—the oil, the entrepreneurship, and the UN votes, we have created Figure 10. The same exceptions stood out. The two oil-rich states that also happen to be entrepreneurial voted with the United States much more than other oil-states. Norway's UNGA votes are 44.7 percent, with Canada voting 48.7 percent of the time in favor of the United States. But generally the pattern held.

Figure 10
Oil, Enterprise, and Attitude toward the United States



Sources: World Bank's *Doing Business* rankings (2005); IMF Country Reports; UN General Assembly voting practices data for 2005, U.S. State Department; Basedau and Lacher, *A Paradox of Plenty? Rent Distribution and Political Stability in Oil States.*

Sorting out the Relationships

We can hazard a few reasons as to why the triangle exists. Some are the obvious old ones—resource-less countries need friends; the aforementioned cultural affinities.

But a newly popular economic approach, public choice theory, offers yet another explanation that we find intriguing. It says that governments are not more or less immoral than private actors. When governments get control of a resource such as oil, they seek to keep that resource. That control is all the more valuable if there are no competing resources. This is the theory behind the recess playground image.

Our general impression is that the relationship between entrepreneurship and oil wealth is central to understanding friendliness toward the United States. The problem may indeed be that commodity wealth tends to crowd out other forms of capital (intellectual and human). One thinks of the violent colonel who, in the film about diamond conflicts in Sierra Leone, *Blood Diamond*, literally deprives villagers of a chance to create by chopping off their hands. Public choice theory also provides an explanation for state support of populism and fundamentalist religions. The culture of populism is a culture of adoration; in Venezuela, people think less than they did before, because President Hugo Chávez now thinks for them. Extreme religions that discourage economic development likewise serve the status quo by distracting the average man and disenfranchising the average woman. Marx's old statement holds: Religion is indeed the opiate of the masses in some petro-states. Banishing a population to a lifestyle from a millennium ago ensures that that population will not be the source of the technology of the future—and will not receive the wealth that comes from developing that technology. Hence the interest in keeping entire groups—women for example—illiterate and unsmart.

What about the exceptions—Norway, Canada, Britain, Holland, and the United States itself? The explanation here, we posit, is that the rule of law and property rights were already firmly in place at the point the oil discoveries were made. A country with such a structure is therefore able to absorb the gush of oil more easily, or turn the oil wealth into an advantage. These countries are already smart, and therefore friendly. But it is possible, tragically, for countries to lose their smarts—the out-migration of intellectuals and former political leaders from Russia seems to symbolize such a loss. Citizens and governments of oil-rich countries really do seem to believe that the only way to improve one's own life is to take something from someone else. They therefore resent that country with the most power—the United States. Hence the similarities in the aggressive postures of two figures from entirely different countries—Venezuela's petro-lord Chávez and Russia's petro-lord Vladimir Putin. At times the only difference between the two figures seems to be that Chávez's hostility is more explicit.

Conversely, those countries that are blessed to have no oil find that they do indeed need to be smart—and therefore open to trade and alliances. The development of India would seem to support this thesis. India has natural resources, but nothing like Russia's. One can posit that this is why India has concentrated so much on economic growth, and why it has moved closer to the United States, even on the crucial issue of nuclear proliferation.

Making Countries Smarter

Many countries know that it is in their interests to get smarter and move away from oil or other commodities. We could call these smart countries making smart choices. Qatar's Education City in Doha, Dubai's DuBiotech venture, and Bahrain's technology park all are efforts in that direction.[11]

Internationally, a few years ago Britain launched the Extractive Industries Transparency Initiative (EITI). The assumption behind this entity is that knowing how much a national oil company has, buys, and sells is the first step toward accountability. The philanthropist George Soros has been vehement about supporting EITI.

What is the U.S. role? If smarter countries are friendlier, then it is in the U.S. interest to help countries become smart. That would mean helping countries strengthen certain areas—education and the rule of law. The promotion of freer trade is also important. Yet Congress is not always aware of this. Seen in the context of our review, the Dubai Ports World deal looks like something that lawmakers should have emphatically supported. Here the United States lacks its own smarts.

The very first step might be to strengthen U.S. administration sensitivity to the necessity of supporting entrepreneurship in countries our Foreign Service encounters. The economics section is one of the weaker sections of the U.S. Foreign Service.

In any case, our data suggest that countries' economic character, especially the ability of their citizens to innovate, can affect their policy toward the United States in crucial ways. A chicken-egg debate over whether the English language generated a nation's entrepreneurial culture, or the absence of resources did, or the culture of innovation did, is not constructive. It is better to focus on learning how to help other countries make smart choices.

[11] Education City, Qatar Foundation. Official website: http://www.qf.edu.qa/output/page301.asp. See also Sarah Maxwell, "Desert Jewel: Qatar has set its sights on boosting tourism—but it won't be following Dubai's example," *Business Traveller*, UK/Europe, Vol. 29, pg. 46. See also Dubai Biotechnology and Research Park's official website, available at http://www.dubiotech.com/.

SMART COUNTRIES, FOOLISH CHOICES

APPENDIX

Box 1: Index Briefs 1

The Fraser Institute's *Economic Freedom of the World* publishes country ratings that measure the extent to which countries rely on private ownership and markets, rather than the political process to allocate goods, services, and resources.[12] The Economic Freedom of the World (EFW) index measures the degree of freedom in the following areas:

1. Size of government: expenditures, taxes, and enterprises
2. Legal structure and security of property rights
3. Access to sound money
4. Freedom to trade internationally
5. Regulation of credit, labor, and business.

The higher a country performs on the above rating scales, the better its overall ranking on the index.

[12] This description of Fraser Institute's *Economic Freedom of the World* has been taken from their website at http://www.freetheworld.com/release.html.

Box 2: Index Briefs II

The World Bank's *Doing Business in 2005: Removing Obstacles to Growth* measures the challenges facing entrepreneurs in countries across the world.[13] The variables measure standardized tasks that face an entrepreneur, such as the process of starting a business, obtaining credit, registering property, and hiring and firing of workers.

The ease of doing business measure is a simple average of the country's ranking in each of the 7 areas of business regulation and property rights protection measured in *Doing Business in 2005*. Therefore, the better the country's performance on such measures, the better its rank on the ease of doing business measure.

[13] This explanation of the methodology of the World Bank's *Doing Business* report has been taken from their website, and can be found at http://www.doingbusiness.org/CustomQuery/.

Box 3: Oil Wealth

Country	Oil exports to GDP (%)	Oil exports to total exports (%)
Algeria	32.4	96.8
Angola	70.9	91.8
Bahrain	46.8	68.3
Brunei	76.3	88
Gabon	41.5	80.3
Indonesia	8	24
Iran	21.2	81.3
Kazakhstan	21	55.2
Kuwait	40	91.6
Libya	60	96.7
Mexico	2.9	11.3
Nigeria	38.9	95.8
Oman	42.4	77
Qatar	46.3	83.2
Russia	15.6	53.5
Saudi Arabia	38.5	88.1
Sudan	11.2	77.5
Syria	21.6	72
U.A.E.	30.6	43.9
Venezuela	21.9	85.5
Yemen	31.3	87.4

Box 4: Measuring Support for the United States at the United Nations: A Definition

The data for the 2005 voting patterns in the UN Security Council and General Assembly has been taken from the 23rd annual report to the Congress. This report also statistically measures the overall voting of UN member states at the 60th General Assembly in fall 2005 in comparison to U.S. voting record.[14]

The “votes only” calculations include only the votes on which both the United States and the other country in question voted Yes or No; and does not include instances where either state abstained or was absent.

The votes “including consensus” provide the percentage of voting coincidence with the United States after including consensus resolutions as additional identical votes, and are considered a more accurate reflection of the extent of cooperation and agreement in the UN General Assembly.

[14] This description of the data collection and methodology has been taken from the U.S. State Department’s website and can be accessed at http://www.state.gov/documents/organization/65805.pdf.

Box 5: Entrepreneurship and Friendliness

The top 15 countries (friendly by UN votes) are also ranked highly on the *Doing Business* scale. And the bottom 15 countries (unfriendly by the UN vote's measure) perform poorly on the *Doing Business* measure.[15]

Fairly Entrepreneurial, Very Friendly

Country	World Bank's Ease of Doing Business Rank	UNGA Voting Coincidence (including consensus)
Israel	26	97.2
Palau	57	93.2
Micronesia	105	91.9
Marshall Islands	86	91.5
Albania	115	89.3
Australia	9	87.9
Bosnia and Herzegovina	91	86.9
France	47	86.7
United Kingdom	5	86.6
Canada	4	84.9
Japan	12	84.8
Latvia	31	84.8
Poland	74	84.5
Belgium	20	84.4
Hungary	60	84.4

Unfriendly and Less Free to Do Business

Country	World Bank's Ease of Doing Business Rank	UNGA Voting Coincidence (including consensus)
Afghanistan	159	72.4
Mozambique	137	72.4
Oman	52	72.4
Iran	113	72.3
Chad	172	72.2
Senegal	152	72.2
Syria	135	72.1
Sudan	161	71.8
Congo, Rep.	169	71.7
Venezuela	144	71.7
Lebanon	87	71.3
Rwanda	158	71
Zimbabwe	145	70.8
Lao PDR	164	70.1
Vietnam	98	69.5

Sources: World Bank's *Doing Business* rankings (2005); UNGA voting patterns (including consensus votes) for 2005.

[15] The country rankings in the following tables may not include some countries that were not included in the *Doing Business* report.

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