

$$\text{Investment Rate of Return} = A f(K/L)$$

Governance

- Security
- Rule of law
- Property rights/land
- Bankruptcy proceedings
- Corruption (absence)
- Bureaucratic quality
- Fiscal predictability (taxes)
- Monetary predictability (inflation, exchanges rates)
- Labor market regulation
- Product market regulation
- Privatization

Technology

(FDI)

Infrastructure

Physical

- Transport
- Telecom
- Energy
- Information

Financial

Tax capacity

Human capital

- Health
- Education
- Training