

THE ROLE OF INNOVATION AND SKILLS IN BOOSTING INVESTMENT ACTIVITY

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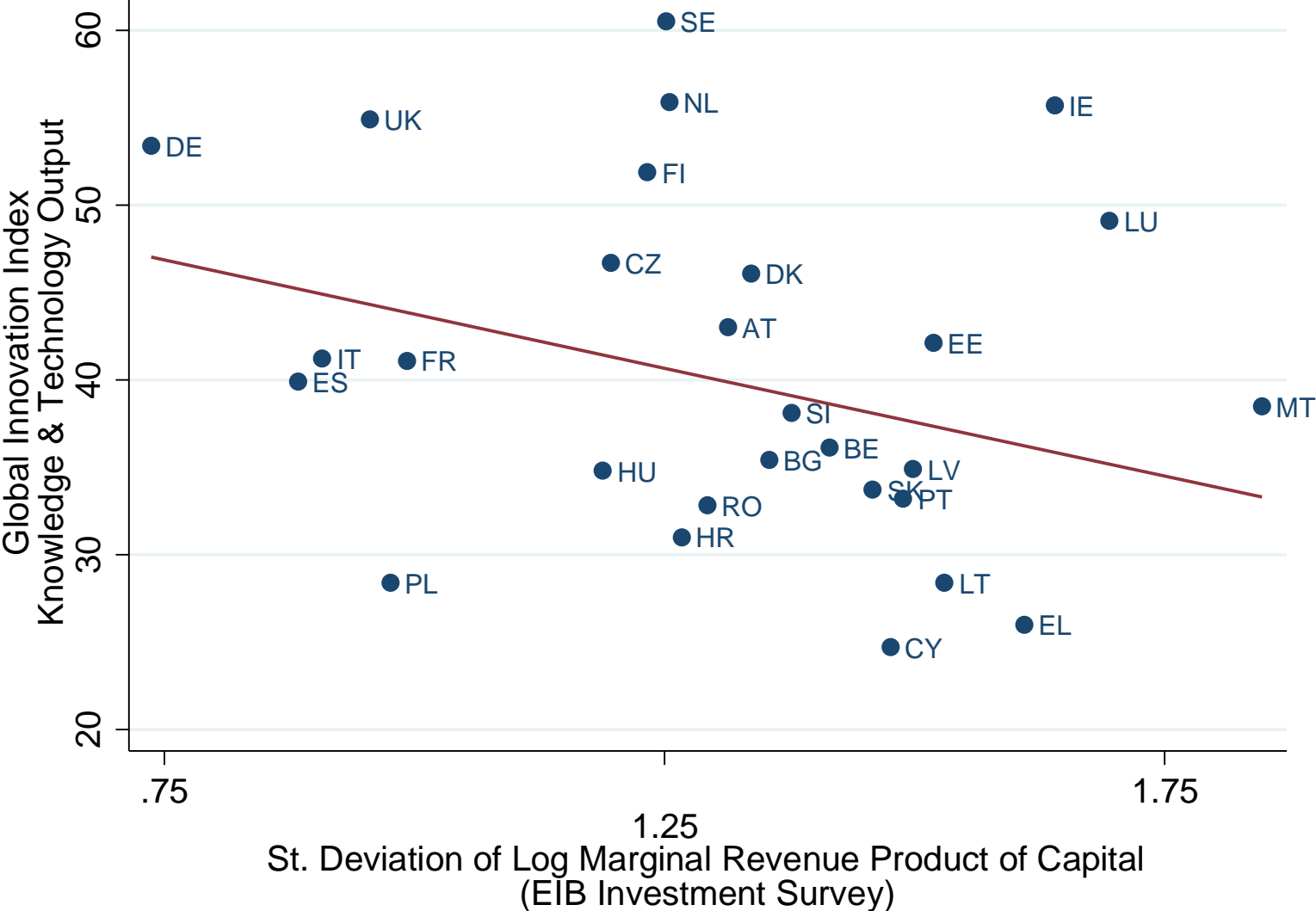
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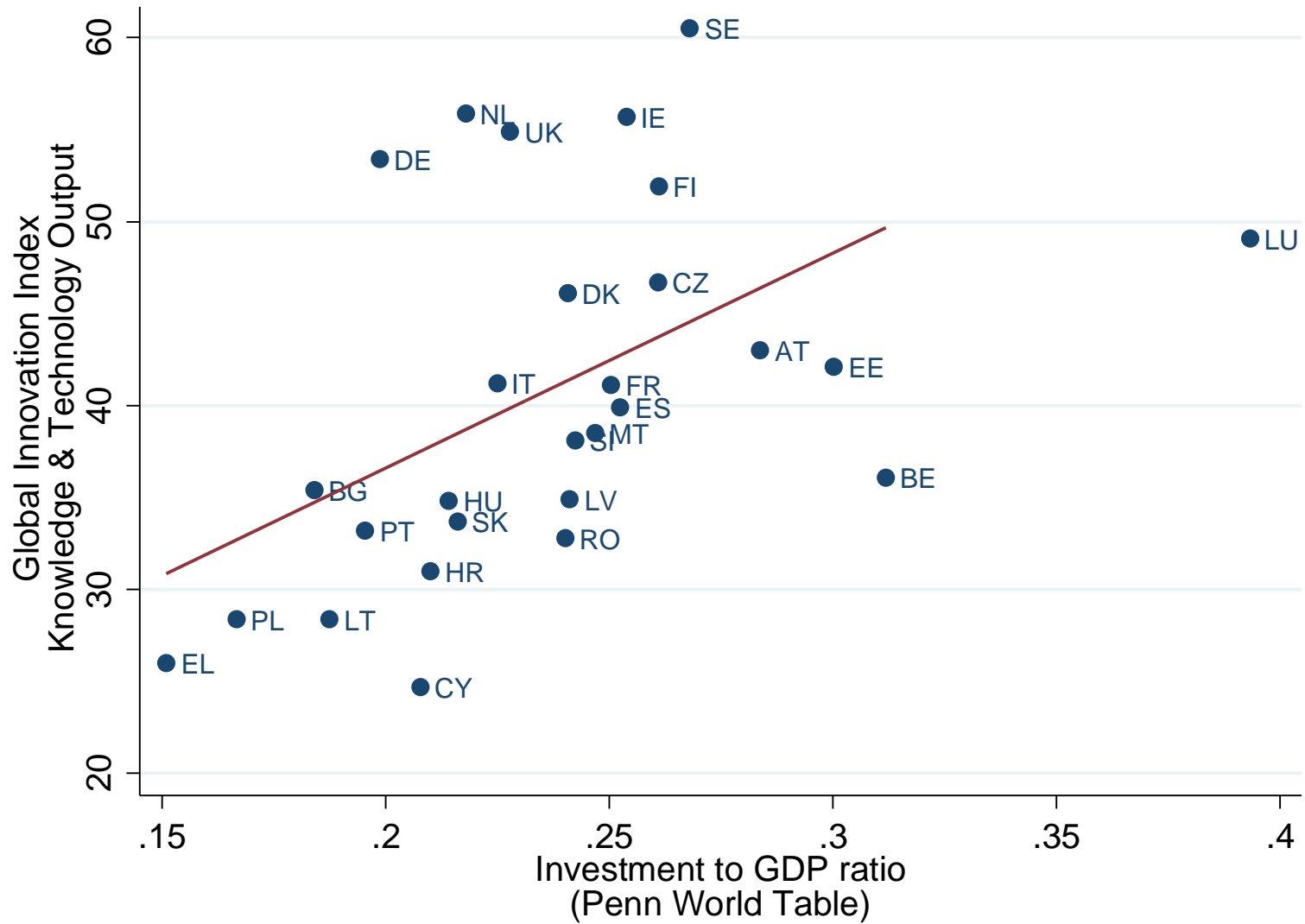
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Investment in human/physical capital falls
Innovation declines

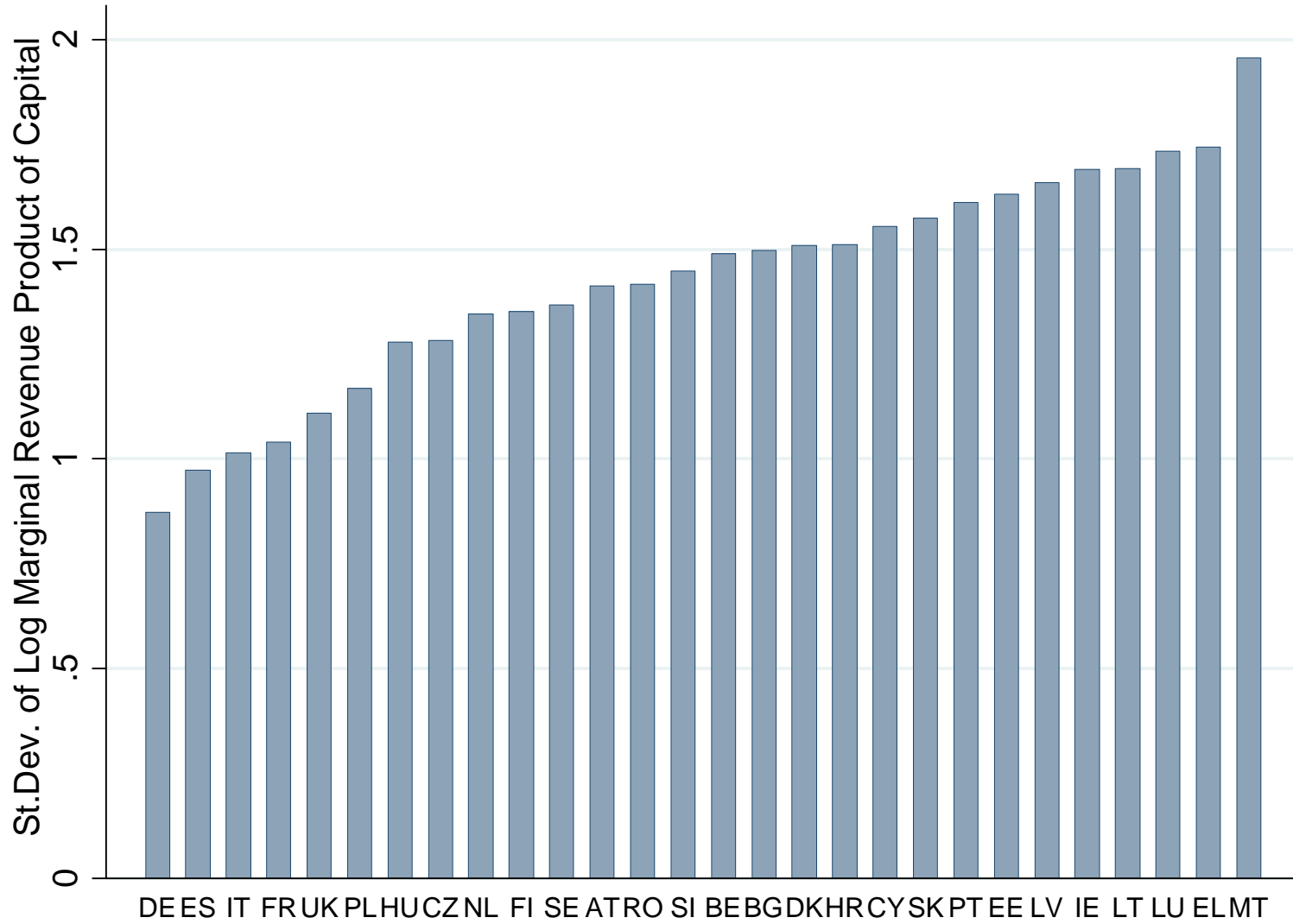
MISALLOCATION TO INNOVATION



INNOVATION TO INVESTMENT



SCOPE FOR IMPROVEMENT



ENDOWMENTS OR INSTITUTIONS

Firm Characteristics	Institutions	Standard Deviation of Log Marginal Revenue Product of Capital
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