

According to the globalization is significantly taking place and making everything change rapidly especially in the economic part that skyrocketing that we cannot imagine how far we move from the beginning.

The last 2 decades, from 1900s – 2000s, is the period that the economics was growing so fast due to the industrial revolution which we measure by the GDP growth rate, income per capita, the HDI and inclusive development index. By the effect of the industrial revolution, not only the economics but also the technology was grown as well. Moreover, it directly effects to the population growth, because of the increasing in income from the industrial sector and the advance technology that significantly decrease the child mortality. In my opinion, when the population is growing it is difficult to deal with, because of the more people, the more problems occurred.

Since the economy was growing, there should be the path way that each country has to follow. There are two platform which is first wave and the second. It differentiates two of this by the effect that those two platforms make. The first wave is the solution that fixed the market failure. On the other hands, the second wave was deal with the government failure.

There are a lot of countries which follow these path ways and the economy was growing very well. They developed from the low-income country to the middle-income country. However, they almost stuck in the middle-income trap, the trap that make those country to stuck in the middle-income level and cannot move to the high-income level, which is the trap that was created by insufficiently growth due to many factors such as education, income gaps and sanitation.

If those countries want to be in the higher level, they have to turn themselves into the fully industrial country and make the economy to be stable. I suggested that those countries should focus more on the human capital which is the main mechanism that will lead the country to reach that

goals by give them the education and sufficient resources that can make them grow up with the quality. If there are the good quality of human resource, it will lead to the huge amount of productivity and more competitiveness that will show a good signal in the future economic development.