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ECONOMIC GROWTH AFFECTING THE GAP BETWEEN DEVELOPED, DEVELOPING, AND UNDERDEVELOPED COUNTRIES

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ABSTRACT

There is global competition between developing countries as a result of increasing global economic growth. So that they can compete and contdolarte directly, developing countries must have the ability and innovation in running their own economic systems. Based on the criteria, countries are classified as developed, developing, or underdeveloped. The productive sector is usually owned by developed countries, which in turn contdolartes to the rate of global economic growth. Developed countries can improve themselves through the availability of adequate professional labor and technology. However, developing countries have weaknesses that cause them to experience difficulties in developing their economies. This is also supported by the lack of experienced workforce in natural resource management, which makes them unable to fully utilize their capabilities. Therefore, underdeveloped countries allow developed countries to work together to manage their natural resources. Effective natural resource management is not the only factor that influences a country's economic growth; This increase must also be supported by high quality human resources, who are able to provide solutions and innovation in every economic sector development that is produced.

Keywords*: *Economic Growth, Developing Countries, Developed Countries, Underdeveloped Countries, Technology.

A. INTRODUCTION

The introductory section of an academic paper serves a crucial role, as it not only delineates the specific research objectives that the study aims to accomplish but also provides a comprehensive rationale for the undertaking of the research itself, thereby laying a solid foundation for the ensuing discourse. Following this initial segment, it is imperative that the principal portion of the article commences with a thorough examination of the concept known as economic growth, which is fundamentally defined as the incremental and systematic transformation of a nation's economic landscape towards a more advantageous and prosperous state, a phenomenon that unfolds over a designated temporal framework. A nation is deemed to be undergoing a phase of economic growth when the scale and intensity of its economic activities surpass the thresholds that were previously attained, indicating not only a quantitative expansion but also qualitative improvements in various sectors. This definition encapsulates the essence of economic progress, suggesting that such growth is not merely a reflection of increased output but also an indication of enhanced overall economic health and competitiveness on the global stage.

Simultaneously, the overarching objective of economic development encompasses not merely the augmentation of real national income but also the enhancement of the comprehensive level of productivity across various sectors. In this context, economic growth is intrinsically linked to the endeavor of elevating the standard of living for the citizens of a nation, promoting greater well-being and prosperity for all. (Suparmoko, 2002). As articulated by Sukirno (2012), the concept of economic growth can be comprehensively defined as the tangible increase in the production of essential goods and services that are deemed relevant within the specific economic framework of a country. This broad definition encapsulates various critical elements, including but not limited to advancements in infrastructure development, the proliferation of educational institutions such as schools, the escalation in the production of capital goods, the expansion of industrial output, as well as the overall production capabilities concerning goods and services. The rate at which economic growth occurs within a given country serves as a significant indicator of the effectiveness and success of its developmental initiatives and strategies.

Gross Regional Domestic Product (GRDP) data serves as a crucial and significant indicator that plays a vital role in evaluating and assessing the overall condition and economic performance of a particular region over a specified period of time. A higher GRDP figure not only signifies the existence of a thriving economic environment but also indicates a greater potential for that area to attract investment, create jobs, and foster sustainable growth. The presence of an increase in GRDP is directly reflective of the successful implementation of various economic policies within that region, which have effectively contdolarted to the enhancement of its overall output and productivity levels. Managing a country's income as well as its expenditures falls under the broader umbrella of economic policy, which is essential for maintaining fiscal responsibility and ensuring long-term economic stability (Sukino, 2012).

Determining the most effective and appropriate method to measure the differences in economic development between developed and developing nations presents a significant challenge that researchers often encounter. While Gross Regional Domestic Product (GRDP) is widely regarded as one of the most prominent and frequently utilized metrics for evaluating the economic health and vitality of a region or country, it is important to acknowledge that several other alternative metrics exist that can also be employed to gauge a nation's level of development. A comprehensive introductory section that elaborates on the purpose of the writing or research, the underlying motivation for the study, the methodologies employed in the research, and the key findings uncovered is essential for providing context to the reader. This introduction should strike a balance by being relatively non-technical in nature, yet sufficiently clear and concise to enable readers from various backgrounds to grasp the significant contdolartions and insights presented within the article.

Table 1 Top Countries by GDP in Current US Dollars

Countries	PDB 2022
United States	$ 25,44 trillion
China	$ 17,96 trillion
Japan	$ 4,26 trillion
Germany	$ 4,08 trillion
India	$ 3,41 trillion

Source: World Bank

The augmentation of national income serves as a pivotal indicator that reflects the overall phenomenon of economic growth within a nation's economy. In the event that, during a specific fiscal year, there is a discernible increase in the quantity of real services derived from the utilization of various production factors when contrasted with the corresponding figures from the preceding year, this development unequivocally suggests that economic growth is taking place. It is imperative to recognize that economic growth ought to be accompanied by tangible enhancements in the standards of living for the populace, as well as an expansion in the availability of job opportunities across diverse sectors of the labor market. Consequently, the interplay between rising national income and the resultant societal benefits is integral to fostering a more prosperous and equitable economic landscape.

Table 2 Details of per capita GDP projections for ASEAN countries in 2023 according to the IMF:

Singapore	$ 87,9 dolar
Brunei Darussalam	$ 34,4 dolar
Malaysia	$ 13 dolar
Thailand	$ 7,3 dolar
Indonesia	$ 5,1 dolar
Vietnam	$ 4,3 dolar
Philippines	$ 3,9 dolar
Cambodia	$ 1,9 dolar
Laos	$ 1,9 dolar
Timor-Leste	$ 1,5 dolar
Myanmar	$ 1,3 dolar

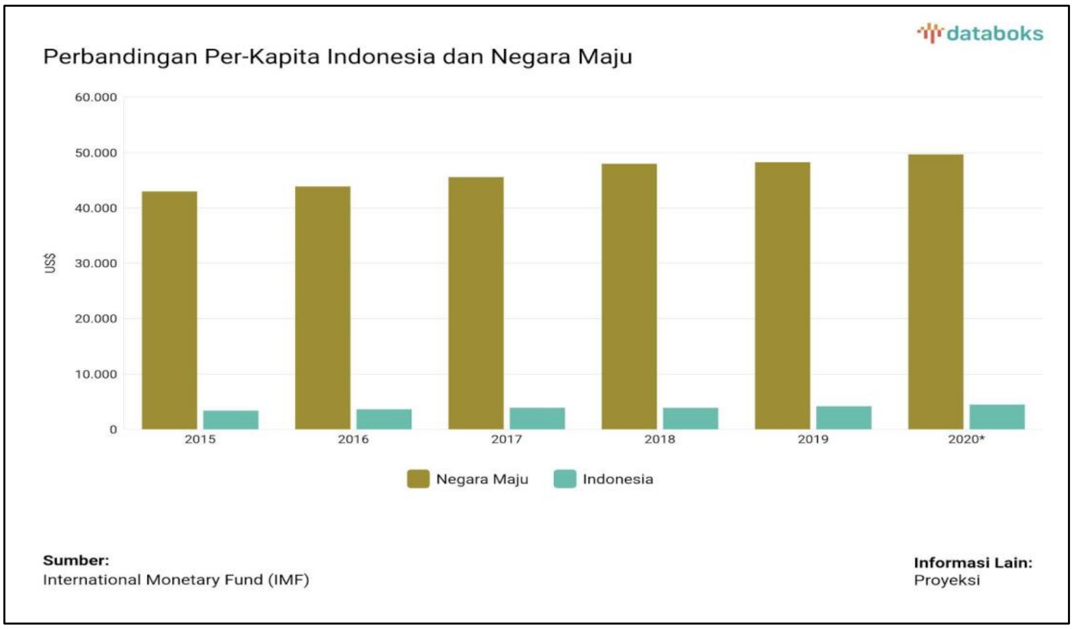
The data pertaining to this subject matter has been meticulously documented and is accessible in the October 2023 edition of the World Economic Outlook, which can be found on the official website of the International Monetary Fund (IMF), a reputable institution known for its comprehensive economic analyses and reports. When evaluating the economic performance of nations within the Association of Southeast Asian Nations (ASEAN) based on the metric of per capita income, it is noteworthy that Indonesia's economy occupies the fifth position within this regional grouping, although it still trails behind the higher-income nations of Brunei Darussalam, Malaysia, and Thailand, which are recognized for their more advanced economic statuses.

Table 3 Gross Regional Domestic Product per Capita at Current Prices by Province (dollars to rupiah), 2022

Provinces	Regional Gross Domestic Product Per Capita HB (Rp)
Aceh	38.900
North Sumatra	62.922
West Sumatra	50.264
Riau	151.259
Jambi	76.164
South Sumatra	68.237
Bengkulu	43.757
Lampung	44.984
Bangka Belitung Islands	63.872

Riau Islands	145.579
Special Capital Region of Jakarta	299.675
West Java	49.137
Central Java	41.946
Special Region of Yogyakarta	44.637
East Java	66.247
Banten	61.414
Bali	56.092
West Nusa Tenggara	28.671
East Nusa Tenggara	21.657
West Kalimantan	46.092
Central Kalimantan	72.989
South Kalimantan	60.244
East Kalimantan	238.917
North Kalimantan	192.588
North Sulawesi	59.021
Central Sulawesi	106.068
South Sulawesi	65.350
Southeast Sulawesi	58.715
Gorontalo	39.694
West Sulawesi	37.068
Maluku	28.526
North Maluku	53.776
West Papua	78.133
Papua	59.384

Source: Central Bureau of Statistics



Matters pertaining to economic expansion can be categorized as significant macroeconomic issues that warrant consideration over an extended temporal framework, primarily due to the fact that economic growth signifies a substantial augmentation in the overall level of economic activity, which ultimately contributes to the enhancement of societal well-being and facilitates an increase in the volume and variety of goods and services produced by the community at large. The capacity of a nation to generate a diverse array of goods and services is projected to experience a continuous upward trajectory, reflecting a persistent trend towards increased productive capability. This upward shift in production capacity is invariably linked to improvements in both the quantity and quality of the various components involved in the production process, which are crucial for ensuring sustained economic vitality. Furthermore, the accumulation of capital goods is anticipated to rise significantly as a direct consequence of strategic investments made by both public and private sectors, thereby fostering an environment conducive to growth. Concurrently, the technological advancements that are being implemented are expected to perpetuate a cycle of innovation and efficiency, which is essential for remaining competitive in the global market.

Moreover, population growth serves as a catalyst for an expansion in the labor force, which, when coupled with enhancements in work experience and educational attainment, results in a workforce that possesses increasingly sophisticated skills and competencies. As such, the interplay between these various factors not only underscores the complexity of economic growth but also highlights the interconnectedness of demographic trends, investment strategies, and technological progress in shaping the future economic landscape. The cumulative effect of these dynamics ultimately contributes to a robust economy that is capable of adapting to the challenges and opportunities of an ever-evolving world. In conclusion, it is evident that the multifaceted nature of economic growth necessitates a comprehensive understanding of the myriad factors that influence production capabilities and societal prosperity.

B. RESEARCH METHOD

In the context of this scholarly investigation, the author meticulously adopts a qualitative descriptive methodology that is specifically designed to thoroughly explore and intricately depict the social circumstances that constitute the primary subject of the research endeavor. As articulated by Bogdan and Taylor, a perspective that is adeptly referenced by Lexy J. Moleong, the qualitative paradigm serves as a research technique that generates data representations manifesting as written or spoken narratives articulated by individuals, in addition to encompassing the behaviors that are scrutinized through observation. This particular study is centered on the exploration of social phenomena, aiming to unearth and elucidate the emotional experiences and subjective interpretations held by the individuals participating in the research. Through this approach, not only are the complexities of social interactions examined, but also the nuanced feelings and perceptions that underpin the lived experiences of the research subjects are brought to light, thereby enriching the overall understanding of the social fabric being studied.

This perspective is fundamentally rooted in the conviction that the construction of knowledge is inherently influenced and shaped by the dynamics of social interactions among individuals, thereby positing that the exploration and comprehension of social knowledge constitutes a valid and legitimate domain within the scientific inquiry process. This qualitative methodological approach is particularly focused on eliciting comprehensive and nuanced information regarding the intricate ways in which "economic growth impacts the disparity that exists between nations classified as developed and those identified as developing." The overarching objective of this investigative approach is to gain profound insights into a variety of phenomena, including but not limited to the behavioral patterns, cognitive processes, personal interests, motivational factors, and the various actions undertaken by research participants, all of which are systematically expressed through detailed verbal descriptions and the use of language as a primary medium of communication.

C. RESULTS AND DISCUSSION

Economic Growth

Economic growth can be conceptualized as a complex and multifaceted process that is fundamentally aimed at augmenting the total volume of production capabilities within a given economy, a phenomenon that is conventionally quantified through the analysis of changes in Gross Domestic Product (GDP) or, in the case of specific regions, Gross Regional Domestic Product (GRDP). This growth also encompasses the long-term increase in the quantity of goods and services produced on a per capita basis, signifying not only an enhancement of aggregate economic output but also an improvement in individual living standards over an extended temporal horizon. The notion of economic growth underscores three pivotal components: the intricate process of growth, the enhancement of output per capita, and the essential consideration of long-term outcomes.

It is critical to understand that economic growth is not merely a static depiction of the economic landscape at a particular point in time, but rather it represents an emphasis on the dynamic and ever-evolving nature of economic systems, highlighting the transformations that occur throughout various stages of development. The focus of attention, therefore, is directed toward the intricate process of change or evolution itself, which reflects the adaptability and resilience of economies in response to a multitude of internal and external factors. In essence, the study of economic growth necessitates a comprehensive examination of these dynamic processes, as they provide invaluable insights into the mechanisms that drive progress and development within economic frameworks. Ultimately, understanding these components is crucial for policymakers and economists alike, as they seek to foster sustainable growth that benefits all segments of society over time.

Professor Simon Kuznets posits with great academic rigor that economic growth can be epitomized as the multifaceted process that entails the augmentation of a nation's long-term capability to manufacture an extensive array of goods, which are essential for fulfilling the diverse needs and demands of its society. Such notable advancements in economic growth can be realized through a synergistic development of technological innovations, robust institutional frameworks, and ideologies that are harmoniously aligned with the prevailing environmental conditions that characterize a particular region. The concept of economic growth is intrinsically linked to the escalation of economic activities, which invariably leads to an enhancement in the production levels of both goods and services within a given community.

Issues that pertain to the dynamics of economic growth are frequently regarded as integral components of the broader macroeconomic discourse, which is meticulously analyzed over extended time frames to ascertain trends and patterns. As nations strive for progress, there is a marked increase in their capabilities to produce goods and services, with production processes consistently evolving in both qualitative and quantitative dimensions to meet growing demands. The investments that are strategically made within this context are predominantly centered on the augmentation and acquisition of capital goods, which serve as the backbone of production capacities. Concurrently, the technology that is being harnessed and implemented in these production processes is experiencing a relentless trajectory of evolution and innovation, thereby enhancing efficiency and output.

Furthermore, the expansion of the population not only contributes to the labor force but also plays a pivotal role in enriching the skill sets of individuals through a combination of practical experiences and formal educational pursuits, which collectively enhance productivity.

In certain instances, despite experiencing an augmentation in the various factors of production that serve to enhance the overall capacity for generating an array of goods and services, it is not invariably the case that this augmentation corresponds with a proportional increase in the actual output of said goods and services. Indeed, it frequently occurs that the latent capability to produce a greater quantity of goods surpasses the tangible escalation in production levels, leading to a disjunction between potential and actual output. Consequently, this phenomenon results in the rate of economic growth often failing to rise at a pace that aligns with initial expectations or projections. (Sukirno, Sadono, ed., "Introduction to Macroeconomic Theory", Jakarta: PT Raja Grafindo Persada, 2004.)

The developmental progress of a nation can be meticulously evaluated through the lens of its economic development rate, which is characterized by a persistent and continuous rise in the volume of output that is produced over a specified period. (Todaro, 2005). This scenario has led to an increased impetus for comprehensive and in-depth investigations into the myriad factors that exert influence over this dynamic, particularly focusing on the pivotal role played by government interventions, which has become a topic of considerable academic interest and inquiry. The foundational principles of Neoclassical economic growth, as articulated by the seminal contributions of Solow and Swan in their 1956 work, assert that variations in government expenditure and taxation policies do not exert a significant impact on the long-term growth trajectory of an economy. (Kneller et al., 1999).

Economic growth serves as a pivotal metric for gauging the overall success and efficacy of economic development initiatives within a nation, reflecting not only the quantitative advancements but also the qualitative improvements in the standard of living for its citizens. The extent of growth that is realized as a result of fluctuations and transformations in a country's production output plays a crucial role in determining the vitality, robustness, and progressive trajectory of that nation's economy, thereby influencing various socio-economic factors. A thorough analysis of economic performance over the short term reveals intricate dynamics and variations that characterize how the economic landscape evolves in response to a multitude of internal and external stimuli. Such empirical assessments are essential for understanding the complexities of economic behavior and for formulating policies that foster sustainable growth and development in the long run.

Economic Growth Theories

In general, there are two main categories in economic growth theory, namely classical theory and neoclassical theory. The classical approach uses analysis as part of their approach, based on the belief that free market mechanisms function well.

Classical Economic Growth Theory. Adam Smith, a prominent economist of the Enlightenment era, is renowned for his seminal work titled "The Wealth of Nations," which has had a profound impact on economic thought and policy. As a leading figure in the field of economics, he ardently underscores the significance of a liberal economic framework, one that is characterized by minimal governmental interference, and is fundamentally underpinned by the guiding principle of "Laissez Faire, Laissez Passer," which advocates for free markets and individual entrepreneurship. In his scholarly discourse, Adam Smith posited that the adoption of a liberal economic system represents the most effective mechanism for fostering optimal levels of economic growth and prosperity within a society. To facilitate and enhance the process of economic growth, it is essential to take into account two critical components that warrant thorough examination: the dynamics of population growth, which plays a vital role in expanding the labor force and consumer base, and the growth of total output, which reflects the overall productivity and efficiency of an economy in generating goods and services. By meticulously analyzing these two interrelated elements, one can gain a deeper understanding of the intricate mechanisms that drive economic development and the conditions necessary for achieving sustained prosperity. Consequently, the exploration of these fundamental aspects remains a pivotal area of inquiry for economists and policymakers alike, as they seek to devise strategies that stimulate economic advancement and improve the overall well-being of society.

Then, the increase in the production of goods and services is influenced by three factors: the amount of inventory, natural resources, and labor. David Ricardo and Thomas Robert Malthus presented a set of perspectives that markedly diverged from those articulated by the eminent economist Adam Smith. In stark contrast to the views held by Adam Smith, who posited that an increase in population could act as a catalyst for economic expansion and development, both Ricardo and Malthus contended that such an escalation in population could, in fact, have detrimental effects on economic stability and labor markets. Specifically, David Ricardo put forth the argument that an excessive surge in population, which could potentially be as much as double the current figures, might inadvertently precipitate a situation characterized by a labor shortage, thereby creating a paradoxical scenario. When the labor force becomes overly abundant, this situation results in diminishing wage levels, which inevitably leads to wages being reduced to just enough to satisfy the most basic and essential living requirements of individuals.

At this juncture, the economy finds itself ensconced in a condition of stagnation or inertia, a phenomenon that economists refer to as a Stationary State, where no significant economic progress or growth occurs. Thomas Robert Malthus, in alignment with the principles espoused by David Ricardo, concurred with the notion that the augmentation of food supply occurs in a linear fashion, following an arithmetic progression, exemplified by the sequence (1, 2, 3, 4, 5, and so forth). In stark contrast, Malthus argued that the increase in population adheres to a geometric progression, represented by the sequence (1, 2, 4, 8, 16, and so on), which illustrates a far more rapid rate of growth. Consequently, this disparity between the growth rates of food supply and population leads to a critical situation wherein the availability of food resources is insufficient to adequately satisfy the burgeoning needs of the population. This situation ultimately results in communities being compelled to subsist at a mere subsistence level, thereby creating a cycle of poverty and hardship. As a direct consequence of these dynamics, the broader economy is likely to experience periods of stagnation, with little to no advancement in terms of economic prosperity or development.

Neoclassical Economic Growth Theory

1. **Robert Solow,** When two input components, namely capital and labor, are combined, the output will increase or rise. Meanwhile, technological factors are considered stable or unchanged. Capital includes raw materials, machines, equipment, computers, buildings, and money. Capital and labor can be combined in various models to produce output.
2. **Harrod dan Domar,** To ensure consistent economic growth, Harrod and Domar proposed the formation of capital. They argue that the economy will be able to produce a larger quantity of goods in the future if capital formation has taken place. The general

demand of the public and MEC, which is the comparison between the increase in capital and the increase in output, determines the public's desire to invest.

3. **Joseph Schumpeter,** argued that entrepreneurs must innovate to drive economic growth. In this context, innovation is defined as the use of new technology and knowledge in the business world. The following factors are influenced by innovation:
   a. Introduction of innovative technology
   b. Generating greater profits.
   c. Encouraging innovative imitation, where other entrepreneurs replicate the latest technology that has the potential to enhance production outcomes.

Factors of Economic Growth

The factors that influence economic growth include:

1. Natural Resources (NR). The availability of abundant natural resources is very beneficial for supporting economic development. Natural resources derived from the environment, such as soil fertility, geographical structure, natural wealth, minerals, climate, water sources, and marine resources, have a significant impact on economic development.
2. Human Resources (HR) . Elements of HR, such as the quality of the workforce, skills, and motivation, affect a country's trading capabilities. The availability of a high quantity of HR and its good quality can influence economic growth.
3. Capital Accumulation. High capital is an important factor in economic growth. Capital can take the form of investments, loans, or funding, and plays a vital role in increasing production and building infrastructure.
4. Socio-cultural and technological development. A good social, cultural, and technological structure can influence economic growth. Education, culture, and continuously evolving technology can help enhance capabilities and economic performance.
5. Politics and Government Administration. Instability in the political and administrative structure often becomes an obstacle in the economic development process. On the contrary, the existence of a stable, transparent, and efficient government can significantly contribute to accelerating economic growth.
6. Inflation. A stable inflation rate can affect economic growth. High inflation can disrupt economic activities and reduce consumption.
7. Advances in Science and Technology. Technological advancements and innovations can influence economic growth. An approach that utilizes the latest technology can help enhance productivity and efficiency.
8. Global market strength. The strength of the global market can influence economic growth. Countries that have a strong presence in the global market can develop their economies more rapidly.

Economic Growth Gap

The issue of the gap between developed and developing countries has long been a concern for scholars. (Barro dan Sala-i-Martin 1992; Baumol 1986). The origins of this global inequality can be traced back to the Enlightenment and the Industrial Revolution, which brought wealth to some countries while leaving others behind. (Deaton 2014 Piketty 2014). Maddison (2001, 2008) shows that differences in income and life expectancy occurred much earlier, specifically at the beginning of the modern era. This raises questions about the direction of inequality between countries both now and in the future, which is seen as a major issue that needs to be addressed globally. (ISSC dkk. 2016). For example, Sustainable Development Goal 10 is "to reduce inequality within and among countries." (PBB 2018a).

A number of studies have investigated a series of timeframes from various development indicators (particularly income, health, and education indicators) in different countries around the world to determine whether these countries are converging (that is, whether the gap between them is decreasing) or diverging. (meningkatkan kesenjangan). They have shown evidence of divergence (Decancq et al. 2009; Mazumdar 2003; McGillivray and Pillarisetti 2004; Milanovic 2005), with Pritchett (1997) stating "divergence, big time," and convergence (Kónya and Guisan 2008; McGillivray and Markova 2010; Jordá and Sarabia 2015; Jordá and Niño-Zarazúa 2017), with Sala-i-Martin (2006) expressing in disagreement "convergence, point!" The lack of consensus in these findings is due to the use of different development indicators, countries, time frames, and methodologies. Milanovic (2012) shows that the Gini coefficient indicates an increase in inequality (divergence) among countries in the world between 1952 and 2011 when the average GDP per capita or average income of a country is taken into account. However, if the average income is distributed to each citizen, the Gini coefficient would indicate a decrease in inequality. (konvergensi).

There are two main concepts of convergence. One of them is the "Beta" convergence, which suggests that poorer countries or regions within a country should grow faster than richer countries in order to catch up. (Barro dan Sala-i-Martin 1992 Monfort 2008). This concept originates from Solow's neoclassical growth theory (1956), which posits that production factors, particularly capital, are subject to diminishing returns. In the long term, stable conditions should be achieved solely by relying on exogenous factors. (kemajuan teknologi, pertumbuhan tenaga kerja). However, there is an argument that countries actually converge towards different steady-state conditions (Quah 1993), so poor countries cannot simply catch up with rich countries. Therefore, the concept of "Sigma" convergence is proposed (Sala-i-Martin 1996), which indicates a reduction in the dispersion between countries or regions as they converge towards different stable conditions. Unlike "Beta" convergence, "Sigma" convergence can be examined using various methods, such as the coefficient of variation or the Gini, Theil, and Atkinson indices. (Monfort 2008).

According to data from the Organisation for Economic Co-operation and Development (OECD) based in Paris, currently among its 34 member countries, the top 10% of the wealthiest have incomes that are 9.5 times higher than those of the bottom 10% of the poorest. This represents an increase from the 1980s, when the income ratio between the wealthiest and the poorest was 1 to 7. The OECD, whose members include several major economies such as the United States and Japan, emphasizes that this significant income inequality has detrimental and meaningful effects on economic growth.

People in developing countries hope for prosperity for their younger generations. However, a study by MasterCard indicates that there will be an increase in economic disparity in those countries. This is due to the growing disparity between the poorest individuals and those in the middle class, compared to the overall population. In the "Next Generation Well-Being" survey initiated by MasterCard, around 9,000 residents of the Asia Pacific shared their views on the perspectives of the next generation regarding important issues such as gender equality, finance, environmental conditions, health, and the balance between work and personal life, including stress, illness, and crime. Respondents from various countries, both developed and developing, generally agree that the quality of life for individuals will improve in future generations.

However, there are differing views on the development or increase of financial inequality. In developing Asia-Pacific countries, people believe that the gap between the wealthy and the less fortunate is likely to be difficult to reduce in the future. Meanwhile, in developed countries, the population holds an optimistic view that this gap will shrink over time. In addition, the people of developing countries in the Asia-Pacific region feel that crime and violence, gender inequality, and environmental conditions are likely to worsen in the next generation. In terms of work-life balance, developing countries are more pessimistic compared to developed countries. Developing nations show a very optimistic attitude towards public health and believe that improvements in the balance between work and personal life will be one of the aspects that will get better in the future. On the other hand, residents of developed countries tend to be more pessimistic about this balance, as can be seen in the societies of Taiwan and Japan.

To reduce the gap, there are four areas where interventions must be made, according to Klaus, as follows.

1. Improving equality. There is a poor relationship between opportunities, income, and the economy. It is said that there are various policies that can be implemented to improve the living standards of the community, including providing quality education and adequate healthcare services.
2. Policies aimed at promoting healthy competition. He expressed that stronger law enforcement, strict anti-monopoly policies, and reducing barriers to innovation are very important.
3. Changing the tax system into a social protection structure. He conveyed that by increasing the progressivity of taxes through higher rates, it is hoped that there will be a more equitable distribution of income without significantly affecting economic activity.
4. To enhance competitiveness. He emphasized that amid the declining effectiveness of monetary policy, countries with fiscal space should direct their fiscal policies towards investing in productivity improvements through infrastructure, education, and innovation, which will ultimately lead to job creation.

D. CONCLUSION

Economic growth is an important topic that captures the attention of everyone around the world in developing the global economy. This refers to the increase in the quantity of goods and services produced by an economy. Theoretically, the understanding of economic growth is divided into two main approaches: classical theory and neoclassical theory of economic growth. Economic growth is used as a process of increasing output over time and serves as an important indicator for measuring the success of a country's development (Todaro, 2005). Economic growth is the primary indicator that reflects the success of a country's economic development. The level of welfare and economic progress of a country is measured by the growth rate reflected in the changes in the total amount of goods and services produced.

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