Costa Rica has made massive progress in improving its economy in modern times. It has transformed from a primarily agricultural economy, producing mainly bananas and coffee, to one specializing in technology, with the help of companies like Intel bringing factories and other aspects of their business to the country. This industrialization of Costa Rica has resulted in numerous benefits. Costa Rica and its citizens have enjoyed higher living standards, an amazing improvement in healthcare, better education, and almost entirely green energy production. Industrialization, however, has also formed major challenges for the country, especially regarding its economic policy. The Costa Rican government is currently debating reforming sales tax, as some lawmakers hope to replace the sales tax with a complete Value Added Tax (VAT) system. The implementation of the VAT system combined with the proposed reform of the income tax system could cut Costa Rica’s debt by 2% of their GDP. Experts are also suggesting that the Costa Rican government pass more legislation to ensure a competitive market stays intact, whilst improving the administration of state-owned companies. Allowing the market to be more competitive could allow for the rejuvenated growth of the country’s GDP, as its growth rate slowed to a three-year low in early 2017. This, coupled with continuing to improve infrastructure, could help to continue industrializing the nation, and help them become more prominent on a world scale.