A Discursive Trap?: The Power and Danger of the Middle-income Trap Discourse

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Abstract

The "middle-income trap" has gained currency in the past decade among economists and development practitioners. The term draws attention to countries that have experienced rapid economic growth but failed to break through the high-income status. This article critically examines the underlying discursive logics behind the vocabulary of the middle-income country trap. The term may seem technical and benign, but its ontology, assumptions, rhetorical devices, and conception of economic actors privilege a sequential view of economic development bereft of normative considerations and ethical standpoints.

This article argues that the middle-income country trap narrative posits a worldview that promotes a growth agenda using the experience of the industrialized North as a benchmark. The term "trap," particularly, posits an imperative for growth where being "stuck" in the middle-income status is pathologized and demands for economic intervention is legitimized. This discourse is formed by a range of rhetorical devices that evoke urgent responses to the impending threat of lagging behind. Motives for using this vocabulary may not be malicious—well-meaning, even—but the taken-for-granted status of these knowledge claims warrants a critical engagement. Discourses have consequences in economic planning and policy formulations for they provide the vocabulary for desirable economic trajectories. To analyze the middle-income trap discourse, therefore, is to stimulate a

systematic process of critique that can potentially open spaces for alternative possibilities for the current economic order.

These observations are based on a qualitative discourse analysis of key policy documents and punditry on the puzzles and perils of countries trapped in the middle-income status. Using Dryzek's (1997) approach to discourse analysis, this article seeks to interrogate and de-naturalize dominant economic agendas and offer a critical sociological language that can lay bare the underpinnings of a technocratic discourse.

Overall, this article argues for a reflective take on technical vocabularies to break free from emerging discursive traps.

Keywords

middle-income trap; discourse analysis; modernization thesis; development; economic growth; political economy

Introduction

The term "middle-income trap" has gained currency in mainstream economic discourse in the past decade. It has been used to caution against China's impending economic stagnation, a catchall phrase for Latin American countries' failure to translate development impulses to sustained growth, and Southeast Asian tigers' inability to break the barrier and officially belong to the category of developed nations (see for example, Reuters 2013; Schuman 2013; Aiyar et al. 2013; Evans-Pritchard 2012; Robertson and Ye 2013).

In the scholarly literature, the middle-income trap has gained prominence in academic publications. A cursory search of the term in Google Scholar yielded 8,510 results, with steady usage of more than 1,000 times each year in the past four years, as of September 9, 2018. Defining texts include the World Bank's report, *An East Asian Renaissance: Ideas for Economic Growth* (Gill and Kharas 2007), the *Middle-Income Trap Turns Ten* (Gill and Kharas 2015), as well as articles that provide comprehensive overviews of the concept, such as "What is the Middle Income Trap, Why do Countries Fall into It, and How Can It Be Avoided" published in the *Global Journal of Emerging Market Economies* (Kharas and Kohli 2011).

While there is a general sense of what the "middle-income trap" refers to, this article argues that such a term warrants close discursive examination. It has been common within policy circles and mainstream

media to categorize countries as falling into the middle-income trap, but the concept's ontology, presuppositions, and heuristic potency remain to be unpacked, deconstructed, and critically examined. This exercise, I argue, is crucial to generate a holistic and interdisciplinary conversation about the scope and limits of the middle-income trap as an analytical category and to sharpen its function as a heuristic tool to make sense of economic realities and diagnose identified problems. "De-naturalizing" the vocabulary of the middle-income trap opens up possibilities for the articulation of alternative possibilities for desirable economic trajectories, as articulated in economic plans, policy formulations, and academic scholarship.

The approach I use in my examination draws on the model of Dryzek's (1997) discourse analysis. It takes the position that concepts are not ahistorical and apolitical but are socially embedded, dynamic, and constantly negotiated. Discourses are products of spatial, temporal, and intellectual contexts which facilitate their emergence and impact. By understanding the context within which the concept of the middle-income trap emerged, there can be a better appreciation of what the term aims to characterize and to what extent it can make sense of a certain phenomenon. This approach goes beyond debating definitional issues such as what it means to be categorized as "middle-income" and what it means to be in a trap. Rather, it engages a discursive issue: the perspective the concept privileges, the kind of economic reality it portrays, the extent of actors' agency, and groups that benefit from such construction of reality. Typically, a discursive critique is deployed on the level of policy analysis (Hajer 2002), but, as this article demonstrates, it is also important to examine how economic concepts that inform policy formulations come to life through rhetorical practices and legitimizing tropes. That way, economic concepts are "de-naturalized" instead of reified as unquestionable premises that underpin economic realities.

This article comes in three parts. First, I begin by providing a brief explanation of the discursive framework. I explain why discourse analysis is important in examining an economic concept like the middle-income trap that seems benign and uncontroversial. Second, I then unpack the ontology of concept of the middle-income trap and its theoretical presuppositions. I suggest that the middle-income trap belongs to the broader discourse of staging development, where progress is defined in a sequential path. I contextualize the discursive environment where the concept of the middle-income trap emerged,

the key actors who perpetuated and contested its use, as well as the potency of rhetorical devices that contributed to the concept's reification. In the final section, I take stock of the ideas learned from this exercise and propose ways in which the concept can be sharpened and put to critical use.

Why Discourse?

Dryzek (2000, 18) defines discourse as "a shared means of making sense of the world embedded in language." It consists of common terms of reference that allow those subscribing to a set of views to weave them together in a coherent narrative that can be communicated in intersubjectively meaningful ways. A discourse revolves around a main storyline, which synthesizes opinions about facts and values. In Foucauldian terms, discursive practices are mechanisms of establishing regimes of truth or setting the terms of accepted and often taken-for-granted reality.

While it has been common to dismiss discourse as "mere talk," Dryzek, in his pioneering book *Politics of the Earth* (1997), has made a compelling case as to why discourse matters. As a theoretical category, discourse emphasizes the socially embedded nature of language and its material impact. Concepts are not mere descriptions of a reality that is "out there" to be found, but are historicized, culturally invented, and constantly negotiated. Dryzek, for example, has identified four sets of discourses that have informed and structured environmental politics. These are: (1) survivalism, which views the earth as having a limited stock of resources, thereby requiring collective action to prevent global disasters; (2) environmental problem-solving, which acknowledges ecological problems but considers them manageable in the context of an industrial society; (3) sustainability, which bridges the conflict between environmental and economic values; and (4) green radicalism, which rejects the structure of an industrial society and advocates for the transformation of human consciousness and politics. All these ways of understanding the environment—its capabilities and limitations—enable agents to put together different pieces of information and form a coherent narrative. It is this very process of constructing assumptions and storylines that facilitate policy debates and inform collective problem-solving.

The same analytical approach can be deployed in the field of economics. Central to the task of examining economics as discourse "is

the recognition that the conduct of economic analysis uses words and that words embody meanings that are applied to the object of study, but do not necessarily derive from that object although they define that object for us" (Samuels 1990, 1). Economists tell stories and purport knowledge claims. They belong to a "system of rhetoric" embedded in linguistic structures of belief and interpretation (Samuels 1990, 5). Economists, as Samuels (1990, 13) observes, either use the terms of "ordinary language, the terminology of technical jargon, or the symbols of mathematics." The question therefore relates to the kinds of reality that are formulated and legitimized by economic discourses that have gained a firm footing in conversations among the most powerful decision-makers today. Without interrogating the seductive character of taken-for-granted categories, economic vocabularies are in danger of being trapped in dominant paradigms of thought that have impact on global policies and everyday life.

Literature on the sociology of development as well as studies in critical political economy have begun interrogating the process of knowledge production in economics. Söderbaum (2008), for example, has unmasked neoclassical economics as "ideology," arguing against the belief in a value-free economics. He underscored the discipline's "political" aspect to make space for different types of "expertness" in the field. Similarly, Freeman and Kliman (2008) have advocated critical pluralism. They argue that economics must recognize its active role in reproducing the model of the liberal market by pursuing a mono-theoretical approach to research. Economics' main task is not to defeat rival theories but to "bring about an understanding of these theories and their implications, to make both the material origin of these ideas and their practical consequences available for empirical verification" (Freeman and Kliman 2008, 190).

Within the field of economics itself, scholars like Rubinstein have delivered thoughtful critiques on the rhetorical underpinnings of economic thought. In one chapter of the book *Economics and Language* (2000), he unpacks the rhetoric of game theory, arguing that "the rhetoric of game theory is misleading in that it creates the impression that game theory is more 'useful' than it actually is" (Rubinstein 2000, 6; also see Bloor and Bloor 1993). Similarly, John Williamson, the man who coined the term "Washington Consensus" has critically examined how this term has taken a life of its own, starkly different from how he originally envisioned policy reform in Latin America (see Williamson 1993). His speech prepared for the World Bank's *World Development*

Report narrated the different interpretations of deregulation, privatization, tax reform, and fiscal discipline, among others, which led the term to be associated with what today is called "neoliberalism." Williamson (1999, 1) recognizes that the battle of economic ideas is "fought to a significant extent, in terms of rhetoric" where using a term of "strong ideological overtones can pose serious dangers, not only of misunderstanding, but also of inadvertently prejudicing policy stances." He concludes his reflections by arguing that the World Bank must make it clear that it recognizes the various ways in which the term Washington Consensus is deployed and argue that the institution has no sympathy for the "market fundamentalist version," or the policy stance that offers the poor very little. Even among development circles, the growth agenda has been widely critiqued, manifest with international organizations like the United Nations Development Program (UNDP), placing metrics like the Human Development Index (HDI) to the foreground. This places emphasis on key dimensions of human development including long and healthy life, knowledge, and standards of living (UNDP 2016).

These examples, among others, have emphasized the value of deconstructing the underpinnings of both orthodox and heterodox economics and render their ontological premises and rhetorical devices visible. This perspective is in tension with views that consider normative and political statements as outside the remit of neoclassical economics and best understood by other "normative" disciplines such as social policy, sociology, or philosophy (Todaro 1997; Hands 2001).

Methodology

Dryzek's discourse analysis has provided a productive framework in conducting a systematic examination of taken-for-granted realities, but it is by no means the only one. Wodak (2007) and Fairclough's (2013) critical discourse analysis are some of the influential approaches in sociological and linguistic research, which foreground the ideological power and sociocultural change embedded in the text. In recent years, a multimodal approach to discourse analysis has taken ground, which places the visual, auditory, and tactile aspects in the analysis of language (Ledin and Machin 2017) as well as the embeddedness of discourses among social interactions in networks of people (Wagner and González-Howard 2018). These developments can only enrich the examination of contemporary discourses, especially when examining phenomena that are distinctly multisensory and interconnected.

For the purposes of this article, however, it is suffice to use Dryzek's approach for it provides probing questions that facilitate an organized, rigorous, and theoretically anchored approach in tracing and comparing the evolution of discourses. These probing questions are specific enough to structure the analysis but broad enough to accommodate recent developments in discourse analysis and incorporate analytical tools offered by various traditions of discourse analysis.

Dryzek's approach is based on four dimensions: ontology, assumption about natural relationships, agents and motives, and key metaphors and rhetorical devises. Table 1 presents a list of probing questions that provide spine to the analysis.

Table 1. Probing Questions

Dimensions	Probing questions*
Ontology	What entities are recognized or constructed? How can they be subject to change?
Assumptions about natural relationships	What is the relationship among existing entities? Are they in conflict or in harmony with each other? Is there equality or hierarchy?
Agents and motives	Who are the actors deploying, contesting, and revising discourses? What are their motives for engaging in discourse? Who benefits from this discourse?
Key metaphors and rhetorical devices	What linguistic techniques are used to articulate the position? What values are being appealed to by these techniques?

*Developed by the author based on Dryzek's model

I examined the discourse of the middle-income trap based on these four dimensions. The analysis presented is based on an interpretive coding of defining texts about the middle-income trap, as well as a sample of press releases and opinion pieces (broadly defined) tackling the subject. The sample is guided by Glawe and Wagner's (2016) literature survey on the middle-income trap. The sample was capped at 33 pieces published between 2007 to 2018, as data saturation had been reached.

The Ontology of the Middle-income Trap

A general characterization of the middle-income trap describes it as a situation when "a country's growth plateaus and eventually stagnates after reaching middle income levels" (Nag 2011; Asian

Development Bank 2011, 4). One of the ways in which these levels of income are defined is as follows:

> We start by defining four income groups of GDP per capita in 1990 PPP dollars: low-income below $2,000; lower-middle-income between $2,000 and $7,250; upper-middle-income between $7,250 and $11,750; and high-income above $11,750... In 2010, there were 40 low-income countries in the world, 38 lower-middle-income, 14 upper-middle-income, and 32 high-income countries. (Felipe, Abdon, and Kumar 2012, 1)

This semantic formulation's basic presupposition is that categorizing countries in terms of income levels is indicative of the extent of its economic development. Glawe and Wagner (2016, 513) describe this as an "absolute" definition where critical thresholds are set based on absolute values such that countries can be neatly classified based on the four income ranges. Low-income, lower-middle-income, upper-middle-income, and high-income economies are categories used as benchmarks to set apart three categories of countries: those that (1) successfully managed to reach a developed status; (2) managed to overcome their low-income status but remain ensnared in a category that is not yet considered high-income; and (3) remain underdeveloped. Implicit in this characterization is that growth that pushes countries to a high-income status is a desirable development path, thereby requiring a close investigation of the factors that constitute the trap and possible solutions to such a problem.

This description appears benign, but it is illuminating of the term's ontology. In basic terms, ontology refers to the kinds of entities that are considered to exist. It examines the "stuff" that makes economies, the way they hang together, and the principles that govern its functioning (Mäki 2001, 3). Such an account of reality becomes the premise on which empirical inquiries take off. In the case of the middle-income trap, its ontology rests on a coherent view of economic reality where there is a universal measure that can act as a fundamental descriptor of things (see Boers and Demecheleer 1997). Per capita income is a standard descriptor of development, allowing for cross-country comparisons. As in structuralist ontology, the economy has stable, law-like properties. It is an economic imperative, for example, for middle-income countries to grow and develop at all costs. The importance of growth is presupposed as natural; a plateau is framed as a challenge that must be overcome.

This premise is consistent with the economic model that explains development in terms of "sequences." Economic growth is understood as a transformation of productive structures where resources are invested from lower to higher productivity activities (Rostow 1959; Kuznets 1966). In the context of East Asia, such structural transformation entails three stages:

(1) Economic takeoff starts with the arrival of foreign direct investment (FDI) firms. Manufacturing is limited to simple assembly or processing of light industry products for export such as garments and foodstuff. Foreign investors control design, technology, and production; parts and materials are mostly imported; and the developing country's main contributions are cheap, unskilled labor and industrial land. This creates jobs for the poor but the internal value created remains small.
(2) FDI accumulates, production expands, and local suppliers emerge to supply parts in the production process. This creates an essential relationship between assemblers and suppliers, creating greater internal value. Production, however, remains under foreign management.
(3) Human capital is acquired by internalizing skills and knowledge. Locals replace foreigners in all areas of production, increasing internal value. The country exports high-quality manufactured products and becomes a leader in global market trends (Ohno 2009, 26-28; see also Gill and Kharas 2007, 18).

These stages are associated with a successful shift in strategy as countries progress from a middle-income to a high-income status. As Rodrik (2011, 4) puts it, countries know that they are on an "automatic upward trajectory" once these fundamentals are in place. It is worth pointing out, however, that this sequence of development is not unilinear. Reversals can happen, as in the case of countries that have moved up to middle-income levels but have slipped back to the low-income group due, for example, to wars and excessive dependence on a narrow set of commodities (Felipe, Abdon, and Kuma 2012).

Noticeable in its ontological construction is the secondary consideration for the ends or purpose of economic growth. Alternative paradigms of economic thought have long been available to defetishize growth for growth's sake. Most prominent of these are Amartya Sen's (1999) capabilities approach, which views development as a function of enlarging freedoms so humans can pursue choices and aspirations

they value, and Deepa Narayan's (2002) work at the World Bank, which views development as an engine that enables people to participate in decisions that affect their lives. These examples, among others, gesture toward the expressly normative orientation of alternative development paradigms, which the middle-income trap discourse avoids in its ontological construction.

While the middle-income trap discourse is located within the broader model of sequencing economic development, distinct in its ontological construction is the centrality of time. Some countries may have crossed the low- to middle-income threshold some years ago but fail to "graduate" to the next income stage after a period. Felipe, Abdon, and Kumar's (2012) work underscores the temporal element to express caution over middle-income countries remaining on a particular per capita income level for a number of years. They argue:

> If a country's per capita income in 1990 PPP dollars remains between $2,000 and $7,250 for 28 years, then it is in a lower-middle income trap. If a country's per capita income remains between $7,250 and $11,750 for 14 years, then it is in a higher-middle income trap. The periods were determined by the median number of years that countries which have successfully graduated to the next step have taken. (Felipe, Abdon, and Kumar 2012, 3)
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> Then we calculate the threshold number of years for a country to be in the middle-income trap: a country that becomes lower-middle-income (i.e., that reaches $2,000 per capita income) has to attain an average growth rate of per capita income of at least 4.7 percent per annum to avoid falling into the lower-middle-income trap (i.e., to reach $7,250, the upper-middle-income threshold); and a country that becomes upper-middle-income (i.e., that reaches $7,250 per capita income) has to attain an average growth rate of per capita income of at least 3.5 percent per annum to avoid falling into the upper-middle-income trap (i.e., to reach $11,750, the high-income level threshold). *Avoiding the middle-income trap is, therefore, a question of how to grow fast enough so as to cross the lower-middle-income segment in at most 28 years, and the upper middle-income segment in at most 14 years.* (Felipe, Abdon, and Kumar 2012, 1; emphasis added)

In this definition, the timing for growth is finite, making the term "trap" a fitting label for such situation. It communicates a

sense of urgency for countries to avoid "falling into the trap," which entails proactive policy interventions in developing human capital and diversifying the export basket (Felipe, Abdon, and Kumar 2012; Ohno 2009; Doner 2012; World Bank 2005). It invokes the rhetorical dangers associated with the "poverty trap" that is a self-perpetuating mechanism, has a persisting character, and poses difficulties of breaking it (Matsuyama 2008; Azariadis and Stachurski 2005; Glawe and Wagner 2016). As a Chinese economist puts it,

> In a sense then, the "middle income trap" notion has but one merit: it points up the urgency and necessity of speeding up development. In other words, with rising per capita income, developing countries cannot be complacent, but must adjust their mode of development, actively respond to changes in internal and external conditions, and vigorously promote social development. (Shixue 2011, 3)

Such a prescriptive component complicates the middle-income trap's ontological position. While it subscribes to a structuralist ontology, which views economic reality as a series of developmental stage that culminates in economic prosperity, it is also cognizant of the role of agents in constructing what Ohno (2009, 29) calls "an appropriate industrial vision." This vision is more aggressive than what George Soros (1998) calls "market fundamentalists" who advocate the rollback of state intervention to allow the markets to reach a point of equilibrium. While deregulation, privatization, and creation of a sound business environment are identified as important structural conditions, these are mainly relevant in the first few stages of development. Creative agentic actors are necessary to break the glass ceiling in the latter stages and execute "meaningful strategies to accelerate industrialization" (Ohno 2009, 29-30). The World Bank (2005) itself has acknowledged the complexity of transitioning from middle- to high-income status, conceding the absence of a "universal set of rules" for development. Instead, the World Bank acknowledges that:

> Sustained growth depends on key functions that need to be fulfilled overtime: accumulation of physical and human capital, efficiency in the allocation of resources, adoption of technology, and the sharing of the benefits of growth. Which of these functions is the most critical at any given point in time, and hence which policies will need to be introduced, which institutions will

> need to be created for these functions to be fulfilled, and in which sequence, varies depending on initial conditions and the legacy of history. *Thus we need to get away from formulae and the search for elusive "best practices," and rely on deeper economic analysis to identify the binding constraints on growth... [T]he complexity and diversity of growth experiences are not amenable to simplistic policy prescriptions.* (World Bank 2005, xii-xiii; emphasis added)

It is worth clarifying, however, that while the middle-income trap discourse creates a space for agency in altering economic realities, its overarching ontological premise is still anchored on the idea that economic realities follow a sequential path that culminates in development. The "trap" is an aberration, an undesirable situation that must be resolved in a set amount of time.

Assumptions about Natural Relationships

The middle-income trap discourse views economic relationships among countries in a stratified manner. Stratification is, in relative terms, benchmarking the economic performance of low- and middle-income countries to developed economies. This can be interpreted as an extension of the conventional practice in economic literature of using the West as a reference point, defining underdevelopment as the "difference" with industrialized economies from the North (Charusheela 2005, 49). As Charusheela (2005, 59) puts it, "the field took the developed world to be the norm against which the underdeveloped world was known to be underdeveloped."

The middle-income trap problematique attempts to explain the developing world's deviation from the economic trajectory high-income countries have taken. This is reflected in Felipe, Abdon, and Kumar's (2012) definitional qualification, stating that the thresholds are set based on today's well-being standards, making it possible, for example, for countries in the nineteenth century to all be categorized as "low-income." The goal is to eliminate such divergence from today's ideal notion of prosperity and postulate the possibility of countries moving to a high-income status. This raises a conceptual question, as to whether the high-income category is comparable to a teleological end state where economies will ultimately converge, or a moving target depending on the performance or definition of prosperity by high-income countries.

Although the discourse views economic relationships in a stratified manner, conflict or power relationships among actors is deemphasized. The structuralist component of its ontology frames the trap as a function of rising wages and declining cost of competitiveness, leaving countries unable to compete with advanced economies in terms of high-skill innovations or low-income, low-wage countries, which can produce cheap manufactured goods (Asian Development Bank 2011). For Kharas and Kohli, the trap is a function of countries' inability to manage "three critical transitions," which involve diversification to specialization in production, physical accumulation of factors to productivity-led growth, and movement from a centralized to decentralized economic management (Kharas and Kholi 2011, 286). These critical transitions can be achieved, they argue, through "strong leadership" that can sustain long-term changes, high-quality interaction with the private sector, and focus on results, outcomes, and effectiveness. Pragmatic, rather than doctrinaire policy formulations, are warranted, according to this view (Kharas and Kholi 2011, 288).

In these definitions, the historical power relationships between developed economies and their firms and middle-income countries are decontextualized. The hierarchical and asymmetrical structure of the global division of labor is absent in the developmental narrative. Historical origins of uneven development and the political economy of post-colonial states are secondary to the analysis. The graduation of middle-income to high-income status is pitched as a win-win situation, implying a non-contentious aspiration of middle-income countries to transition to a high-income status. However, as Shixue (2011, 2-3) argues:

> The "middle income trap" is thus in fact spurious. Dispensing with a per capita income-based trap theory does not, of course, mean the challenges facing Latin American countries, and other countries on the road to development are to be ignored. Their experience shows that as per capita incomes rise, there will be significant changes in people's consumption patterns, environmental pressures will intensify, income distribution will be increasingly equitable, social problems will proliferate, desire for political participation will keep strengthening, difficulties of governance will increase, [and] integration with the outside world will grow.

The success of the South Korean case, for example, was described using a narrative of export diversification made possible by a visionary group of industrialists able to forge a national consensus on economic development. Implicit in this account is how such economic development was built on the backs of women workers and at the expense of farmers, which, following the sequential developmental narrative, is relegated as a starting phase for economic development (see Amsden 1989; Davis 2004). The *conflict-ridden* and contentious aspect of economic change is downplayed as challenges that a national *consensus* on a development agenda can overcome.

Moreover, the discourse of the middle-income trap frames a competitive relationship between lower- and middle-income countries. The section on rhetoric below suggests the role of metaphor of the "trap" to evoke an undesirable response to economic stagnation. Aside from the concept of trap, however, the threat of lower-income countries "overtaking" middle-income countries is part of its discursive toolkit, such that a conflictual, competitive relationship between two categories of countries is established. Middle-income countries are encouraged to shift to a knowledge-based economy, one that contributes higher value to the global production chain, to avoid backsliding into the a low-income status. Low-income countries, therefore, are pitched as an undesirable other—a reference point for what happens when middle-income countries do not shape up.[1]

Another approach to natural relationships is the interrogation of the predictability of the middle-income trap from a statistical viewpoint. Robertson and Ye (2016) for example, find that a majority of middle-income countries have "no evidence of a persistent trend toward the middle-income band," suggesting that there is little reason to think that there is a structural reason for the trap. With this, Robertson and Ye (2016) take a modest route in interpretation, suggesting that "*maybe* good statesmanship, market friendly policies and a *bit of luck* are all that is needed to sustain growth" (emphasis added). The past need not be a predictor of the future, they argue, especially when the concept of middle-income trap remains to be an elusive statistical fact.

Agents and Motives

International financial institutions, policy circles, and business reporters are the usual discursive agents of the middle-income trap. The term was first used in a World Bank report by Gill and Kharas

(2007) and has since been deployed by organizations including the Asian Development Bank (2011) and Japan's National Graduate Institute for Policy Studies (GRIPS) through Ohno (2009).

There are two common interrelated reasons for deploying such a discourse. The first is to warn. Middle-income countries that have begun stagnating economically are identified, and explanations for their sluggish performance are offered. Ohno (2009), for example, cautions against Vietnam's failure to produce effective industrial strategies and consolidated action plans. He diagnoses the country's policy environment as marred by structural weaknesses due to its historical experiences of war, political turmoil, socialist planning, and severe economic mismanagement, consequently creating a fragile economic structure (Ohno 2009, 26). Similarly, China's *People's Forum Magazine* brought together fifty experts and academics to distinguish ten features of countries falling into the middle-income trap. "Decline or stagnation of economic growth, electoral chaos, a divide between rich and poor, pervasive corruption, over-urbanization, shortage of public services, unemployment, social unrest, lack of trust, and a weakened financial system" are among the shared features of countries that have entered the trap (Shixue 2011, 1).

Second, by understanding the nature of the risk of being "trapped," policy experts then provide recommendations. Former World Bank President Robert Zoellick, for example, used the term in his speeches to describe the economic question confronting China. To "avoid falling into this trap," Zoellick was quoted saying, "China has begun to study a variety of emerging modes of growth, notably through policies of urbanization, human capital formation and innovation" (in Shixue 2011). Export diversification (Felipe, Abdon, and Kumar 2012; Ohno 2009) is often cited as key to escaping the trap, as well as climbing the value chain to compete in the global knowledge economy (Garrett 2004).

These analyses and recommendations have complemented the recent development agenda of the United States, the World Bank, and other aid agencies, promoting "smart development assistance," which focuses on the creation of knowledge economies (Garrett 2004). The United States, for example, through the Middle East Partnership Initiative, provides educational, financial, and juridical reform aid to middle-income countries in the region to counteract economic stagnation and potential threats for political stability. Similarly, the World Bank's Skills and Innovation Policy Program provides policy

advice to client countries on how to transition to become a knowledge economy by building country capacities—from creating an economic incentive regime for knowledge industries to flourish to linking global knowledge to country demands through free trade, technology transfer, and foreign investment (World Bank Institute 2007). In effect, the discourse of the middle-income trap has justified the continued relevance of development agencies' interventions to countries that have already crossed the low-income threshold but are "at risk" of failing to make the cut of high-income status.

Key Metaphors and Rhetorical Devices

The rhetoric of threat and metaphors for progress are two commonly utilized discursive techniques. The language of danger and risk are manifest with the use of terms "avoiding," "falling into," and "getting stuck in" the trap (Ohno 2009; Wheatley 2010; Felipe, Abdon, and Kumar 2012), indicating the objectionable situation of remaining in a middle-income status. Others compare the trap to the "Dutch disease" or the "resource curse" where resource-rich economies are warned to place their resource revenues to productive use and get their institutions in shape (Taguchi 2018). These threats are usually accompanied by references to global trends, harping on the limited and narrow window of opportunity for countries to overcome its developmental challenges. This statement from a Beijing-based World Bank economist is a common way of deploying this rhetorical strategy:

> Many countries make it from low-income to middle-income, but very few actually make that second leap to high-income... they seem to get stuck in a trap where your costs are escalating and you lose competitiveness. (Hansson in Wheatley 2010)

Those that break through the high-income status are called "escapees," which leads to a form of "outlier worship" (Pruchnik and Zowczak 2017, 11; see also Nguyen, Eden, and Bulman 2014). The threat of selectivity serves to underscore the severity of the trap problem but the implications of such a threat are left unarticulated. The normative and practical dangers of remaining in the middle-income category are presupposed, while the importance of "growth" is considered self-

explanatory, not warranting an explicit case to be made in support of such goal. This dominant assumption of growth as the end goal lends currency to the metaphors of "left behind" countries urged to "catch up" without necessarily explicating the practical and normative value of growth. This, I suggest, is indicative of a discourse playing on hegemonic terms, the kind where there are no interlocutors to be addressed; only dominant taken-for-granted assumptions to bank on.[2]

Despite the unarticulated rationale for pursuing "progress," the metaphors used to support this aim are abound. "Escaping the trap" and "graduating to the next income group" are terminologies used by Felipe, Abdon, and Kumar (2012) and other scholars in policy circles. "Moving up the value chain" from low value-added industries is also often deployed. These metaphors provide the language to express the sequential model of economic development, framing the transition to a high-income status as the natural progression of economies.

The Trapped Discourse

In this article, I have provided a critical discourse analysis of the middle-income trap. I argue that analyzing discourse is important to reveal the socially embedded and historicized character of concepts used in everyday life. Through this approach, I have presented the middle-income trap's taken-for-granted assumptions, its discursive agents and, the material impact of its use in setting development agendas. See Table 2 for a summary of preliminary findings.

I suggest that the concept of the middle-income trap is part of the broader discourse of sequencing economic development. Although it subscribes to a structuralist ontology, it also provides room for agents to imagine and construct visions and strategies for development. This is a slight departure from "market fundamentalism" discourse which tends to promote standard economic models and leaves less room for agency and negotiation. Moreover, the concept of the middle-income trap views natural relationships in a stratified manner (low-, middle-, and high-income) although conflict among these income groups is rather understated. It is popular among international financial institutions and policy circles, which usually deploy the rhetoric of risk and dangers of being trapped. Such language provides a sense of urgency for countries to "escape" the trap given the limited window of opportunity for growth.

Table 2. Summary Table: Discourse Analysis of the Middle-income Trap

Dimensions	
Ontology	Economic realities follow a development sequence culminating in a high-income status; countries can be "trapped" in an income level and becomes an economic imperative to be overcome Change happens through political agents constructing and implementing visions for industrialization
Assumptions about natural relationships	There is stratification among economies due to divergent development trajectories; the discourse emphasizes harmony over conflict among countries' economic relationships but also creates lower-income countries as "undesirable other"
Agents and motives	International financial institutions, policy circles, and business reporters are the primary discursive agents; discourse is used to warn of the "risk" of being trapped and provide policy recommendations including "development assistance"
Key metaphors and rhetorical devices	Rhetoric of threat and metaphors for progress

I have also identified some of the concept's silences, particularly in terms of its normative and practical justifications for promoting growth. It fails to articulate and lay the basis for its taken-for-granted assumptions, as opposed to competing paradigms of economic development such as the capabilities and empowerment approaches. This includes the presumed perils of remaining in the middle-income status, its idealized notion of a global political economy, and why "growth" or graduating to the next income group is a preferable developmental sequence. While the discursive power of the middle-income trap is realized in policy prescriptions such as human capital development and investment in export diversification, the precise empirical manifestations of these vary depending on empirical contexts.[3] Investigating the far-reaching influence and uneven discursive legacies of the middle-income trap is beyond the scope of this article but it is important to underscore how implicit logics shape collective thinking about desirable economic trajectories and how these goals take shape in policy and practice.

I suggest that the discourse could be further enriched if it debates, rather than denies, its interlocutors, and practices reflexivity rather than rely on the ontological security of established economic paradigms. The descriptive power of the middle-income trap vocabulary can serve a meaningful function if it responds to issues of power. Growth for whom? At what cost is growth attained? Growth for what purpose? These are some of the questions that demand answers for this entrenched discourse to be accountable to communities affected by its policy articulations. It is in this manner that the trapped discourse can escape its own discursive trap.

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Notes

1. I am grateful to the second reviewer for raising this point.

2. Even Prunchik and Zowczak (2017, 19) who are critical of the middle-income trap narrative deploys a similar paradigm of "convergence trap," which describes a company's failure "to converge toward the GDP per capita level of a more advanced reference economy."

3. I thank the second reviewer for this comment.

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