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**PHD CHAMBER OF COMMERCE AND INDUSTRY**

## **The World Development Report 2024 : The Middle Income Trap**

According to the World Development Report 2024 : The Middle Income Trap, August 2024, the share of middle-income countries in the worldwide economy is increasing. As classified by the World Bank, 108 nations qualify as middle-income. With about three-fourths of the world’s population, these 108 middle-income nations account for nearly 40 percent of worldwide financial action.

More than 100 countries—including China, India, Brazil, and South Africa—face serious obstacles that seem to hinder their endeavors to become high-income nations in the next few decades and the study gives them a comprehensive guide to empower creating nations to escape the “middle-income trap.”

The report proposes a “3i strategy” for nations to reach high-income status. Depending on their organization of improvement, all nations require to embrace a sequenced and dynamically more modern blend of arrangements. Low-income nations can center exclusively on approaches outlined to increment investment—the 1i stage. But once they accomplish lower-middle-income status, they require to move gears and extend the arrangement blend to the 2i stage: venture and mixture, which comprises embracing innovations from overseas and spreading them over the economy. At the upper-middle-income level, nations should move gears again to the last 3i stage: venture, mixture, and advancement. In the advancement stage, nations no longer simply borrow thoughts from the global frontiers of technology—they push the frontier.

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Warm regards,

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