

A. ASSIGNMENT RECAP

- This individual assignment in ECON 1086 focuses on Global Value Chains (GVCs) and their impact on the labor market.
- Students are required to provide an example of GVCs involving at least three countries, explain the theoretical foundations of GVCs, analyze their wage impact on skilled and unskilled workers in both developing and developed countries, and structure their report professionally.

Suggested Structure:

1. **Abstract**
2. **Introduction**
3. **Example of GVC Involving 3 countries**
4. **Theoretical foundations of GVCs**
5. **Wage Impact Analysis**
6. **Conclusion**

B. KEYWORD EXPLANATION

1. Global Value Chains (GVCs):

- GVCs refer to the international production and supply networks where various countries participate in different stages of the production process, creating a value-added chain.

2. Wage Impact:

- Wage impact pertains to the influence of certain factors, like globalization or technological advancements, on wage levels in a particular labor market. In the context of the assignment, analyzing the wage impact of GVCs involves examining how participating in global production networks affects the wages of both skilled and unskilled workers in different countries.

3. Developing Countries:

- Developing countries are nations with lower income levels, limited industrialization, and lower human development indicators compared to developed countries.

4. Developed Countries

- Developed countries are nations with higher income levels, advanced industrialization, and better human development indicators.

5. Labor Market

- A labor market is a place or mechanism where employers and employees interact to determine the wages, employment conditions, and allocation of labor resources.