

## C. DETAILED OUTLINE

### 1. Abstract

- Introduce the topic of the report (Global Value Chains - GVCs). Briefly mention the purpose and scope of the report.
- Summarize the specific GVC example involving three countries (China, South Korea, and the United States) used in the report.
- Highlight the theoretical basis of GVCs, including concepts like comparative advantage. Mention how these theories apply to the chosen GVC example.
- Wage Impact Analysis (1-2 sentences): Provide a brief overview of the wage impact analysis conducted in the report. Mention the focus on both skilled and unskilled workers in developing and developed countries.

#### Example:

- This report explores the concept of Global Value Chains (GVCs) in the context of the globalized economy.
- It presents a specific GVC scenario involving three countries: China, South Korea, and the United States, within the smartphone manufacturing industry.
- The report discusses the theoretical foundations of GVCs, emphasizing the role of comparative advantage and how it applies to the chosen GVC example.
- Additionally, it conducts a wage impact analysis, considering both skilled and unskilled workers in both developing and developed countries. The findings underscore the complex nature of GVCs, with skilled workers benefiting while unskilled workers face wage pressures.
- Understanding GVCs is essential for policymakers and businesses as they navigate the dynamics of the global labor market.

### 2. Introduction (Approx. 100 words)

- Briefly introduce the concept of Global Value Chains (GVCs).
- State the purpose and structure of your report.

#### Example:

- Global Value Chains (GVCs) + definition + the importance: are a crucial aspect of today's globalized economy, where various stages of production are distributed across different countries.
- This report explores the concept of GVCs by presenting an example involving three countries and analyzing the implications of GVCs on the labor market. The report begins by illustrating a specific GVC scenario and subsequently delves into the theoretical foundations, wage impact analysis, and empirical evidence related to GVCs.

### 3. Example of GVC Involving Three Countries (Approx. 150 words)

- Provide a specific example of a Global Value Chain that involves at least three countries. Identify and briefly describe the key activities carried out by each participating country in this GVC.

### **Example:**

- A pivotal example of GVC involving three countries is the smartphone manufacturing industry (China, South Korea, and the United States). China manufactures the phone's components, South Korea assembles the devices, and the United States markets and sells them.
- This GVC results in the creation of a globally recognized product and involves various activities such as component production, assembly, and marketing.

### **Another suggested ideas:**

- **Automobile Manufacturing GVC:**
  - + Japan: Known for its advanced technology, Japan produces high-quality automotive components such as engines, transmissions, and electronics.
  - + Mexico: Mexico serves as an assembly hub due to its proximity to the U.S. market, providing labor-intensive tasks like vehicle assembly.
  - + United States: The U.S. focuses on research and development, designing vehicles, and conducting marketing and sales activities.
- **Textile and Apparel GVC:**
  - + Bangladesh: Specializes in labor-intensive garment manufacturing.
  - + India: Produces textiles and fabrics, including raw materials like cotton and silk.
  - + United States: Engages in fashion design, brand management, and retail sales.
- **Electronics GVC:**
  - + Taiwan: Known for semiconductor fabrication and electronic component manufacturing.
  - + China: Serves as an assembly and production center for electronics.
  - + Germany: Known for engineering and designing high-end electronic products.
- **Agricultural GVC - Coffee Production:**
  - + Brazil: One of the world's largest coffee producers, growing coffee beans.
  - + Vietnam: Known for robusta coffee production.
  - + Italy: Specializes in coffee roasting and manufacturing espresso machines.
- **Aerospace GVC:**
  - + France: Focuses on aircraft design and manufacturing of aerospace components.
  - + Canada: Specializes in manufacturing aircraft components and engines.
  - + United States: Engages in final assembly, testing, and marketing of aerospace products.

### **4. Theoretical Foundations of GVCs (Approx. 250 words)**

- Explain the theoretical foundations of Global Value Chains.

- Discuss what determines the participation and position of each key country along the GVC in your example.
- Use relevant economic theories and concepts to support your explanation.

**Example:**

- The theoretical foundation of GVCs lies in the concept of comparative advantage, where each country specializes in producing goods or services that it can efficiently produce, leading to increased overall efficiency and economic gains.
- In the smartphone example, China's advantage in component manufacturing, South Korea's expertise in assembly, and the U.S.'s strong marketing capabilities illustrate how countries align with their comparative advantages in a GVC..
- Use relevant economic theories and concepts to support your explanation.

## **5. Wage Impact Analysis**

### ***a. Impact on Skilled and Unskilled Workers in Developing Countries (Approx. 250 words)***

- Theoretically analyze the wage impact of GVCs on both skilled and unskilled workers in developing countries.
- Discuss how GVCs can affect wage inequality in these countries.

**Example:**

- The theoretical analysis suggests that GVCs may lead to wage inequality in developing countries. Skilled workers in the smartphone industry in China may benefit from higher wages due to their specialized skills, while unskilled workers may face challenges as automation replaces some jobs.

### ***b. Impact on Skilled and Unskilled Workers in Developed Countries (Approx. 250 words)***

- Theoretically analyze the wage impact of GVCs on both skilled and unskilled workers in developed countries.
- Compare and contrast the impact on wages in developed countries with that in developing countries.

**Example:**

- In developed countries like the United States, skilled workers in marketing and research may benefit from GVCs by gaining access to global markets. However, unskilled workers in manufacturing could experience wage pressure due to competition from low-cost labor in developing countries.

## **6. Conclusion (Approx. 100 words)**

- Summarize the key findings and insights from your report.
- Restate the implications of GVCs on the labor market in both developing and developed countries.

**Example:**

In conclusion, GVCs are a complex and dynamic aspect of the globalized economy. They offer opportunities for specialization and efficiency but also pose challenges, particularly in terms of wage

distribution. While skilled workers may benefit, unskilled workers may face wage pressures. Empirical evidence supports these theoretical notions, emphasizing the need for policymakers and businesses to consider the implications of GVCs on labor markets.

## **D. TIPS & TRICKS**

### **Tip 1. Research and Data Collection?**

- Start your research early and gather relevant data from reputable sources such as central banks, financial databases (e.g., Refinitiv Eikon), and international organizations (IMF, World Bank).
- Ensure the data you collect aligns with the years 2021 and 2022, and it's specific to your assigned country or countries (Vietnam and your assigned developed country).
- Use tables and charts to present data when it enhances the understanding of your analysis. Keep in mind that these should complement your text, not replace it.
- Ensure that tables and figures are appropriately labeled, with clear titles and sources cited.

### **Tip 2. Professionalism?**

- Follow the provided structure and word count limits for each part of the report. Clear organization is essential for academic writing.
- Use headings and subheadings to break down your analysis into sections. Make sure your report is reader-friendly and easy to navigate.

### **Tip 3. Writing Tips?**

- Write concisely and coherently. Avoid unnecessary jargon and ensure your writing is clear and understandable.
- Use proper grammar and punctuation. Proofread your work to eliminate spelling and grammatical errors.