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**From global value chains (GVC) to global value chains of occupations (GVCO): exploring the advantages of specialization.**

Marta Solaz\*\*, Francisco Pérez\* and Eva Benages\*

\*Universidad de Valencia & Ivie; \*\*Ivie

*Contact address:*

*Eva Benages*

*Instituto Valenciano de Investigaciones Económicas (Ivie)*

*Guardia Civil 22 esc 2, 1º (access through Daniel Balaciart, 3)*

*46020 Valencia (Spain)*

*Tel: 96 3190050 ext. 227; Fax: 96 3190055*

*Email:* [*eva.benages@ivie.es*](mailto:eva.benages@ivie.es)

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*Abstract*

Information and communication technologies (ICT) are key to the development of new products and services, the increasing fragmentation of production processes, the possibility of outsourcing and relocating activities and the proliferation of global production chains. The impact of these transformations on employment and income in different countries depends on their specialization in different tasks and occupations, which are affected in different ways by digitalization and have a different capacity to generate value added.

International production fragmentation questions the suitability of the traditional approach by industries to the analysis of countries’ economic performance, given the growing diversity of activities developed within the same industry, which represent different tasks in the production chains. This research explores whether the structure of occupations underlying the global production chains improves the approach to this diversity of tasks as well as our understanding of each country’s capacity to generate value added.

The proposed approach is based on the definition of “*global value chains of occupations”* (GVCO), which underlie global value chains (GVC). By identifying GVCO, it is possible to identify the position of each country in the global economy, organized around different tasks and where goods and services are produced by companies belonging to different industries and countries.

This paper focuses on the analysis of international trade flows from the point of view of GVCO. The structure of employment and wages underlying these flows in every country depends on their participation in the GVCOs. A selection of developed countries will be analyzed, using as a basis the information provided by the World Input Output database (WIOD). The comparative analysis of the economies allows us to evaluate the competitive advantage of the countries derived from their specialization in different tasks within production chains, which is reflected by their occupations’ structure.