# Table Of Contents

Acknowledgment iii

List of Tables xi

Contents Page No.

## CHAPTER I

### INTRODUCTION

1.1 The Problem ........................................ 1
1.2 Background of the Study .......................... 2
1.3 Objectives of the Study .......................... 4
1.4 Methodology ........................................ 5
1.5 Importance of Study ............................ 6
1.6 Outline of the Study .............................. 9
1.7 Limitation of the Study .......................... 12

## CHAPTER II

### REVIEW OF LITERATURE

2.1 Introduction ........................................ 13
2.2 Brief Review of Theories of International Trade ............... 13
   2.2.1 Mercantilist View on International Trade ............... 13
   2.2.2 Absolute Cost Advantage Theory ................... 14
   2.2.3 Comparative Cost Advantage Theory ............... 14
CHAPTER – III

TRADE IN SERVICES: A GLOBAL PROFILE

3.1 The concept of Trade in Services ................................................................. 48
3.2 Growing Importance of Services ................................................................. 54
3.3 Emergence of General Agreement on Trade in Services ............................. 59
    3.3.1 General Agreement on Trade in Services & its Principle ................. 62
3.4 Different Types of Trade in Services ......................................................... 64
    3.4.1 Financial Services ............................................................................ 65
    3.4.2. Telecommunication & Data Flows .................................................. 65
    3.4.3 Transport, Travel and Tourism ......................................................... 66
    3.4.4. Information Technology .................................................................. 68
    3.4.5 Other Services .................................................................................. 69
3.5 Emerging Trend and Growth of Trade in Services ................................. 69
3.6 Trade in Services and Countries Across the World ................................ 73
3.7 Perspective of Developed and Developing Countries Towards ............. 75
CHAPTER IV

FACTORS DETERMINING TRADE IN SERVICES: AN ANALYSIS ON
INCOME GROUPS AND REGIONS

4.1 Introduction.................................................................87
4.2 Data and Variable .......................................................88
  4.2.1 Income Classification of countries..........................90
  4.2.2 Geographical Classification of Countries.................91
4.3 Methodology of the study .............................................92
  4.3.1 Panel Data Regression Analysis ..............................92
  4.3.2 Fixed Effect Model ..............................................92
  4.3.3 Random Effect Model ...........................................94
4.4 Factors Determining Trade in Services: The Multiple Regression Models.....................................95
  4.4.1 Pooled Data Models .............................................96
  4.4.2 One Way Effect Models .........................................97
  4.4.3 Two Way Effect Models .........................................97
  4.4.4 Hausman (H) Specification Test ..............................97
  4.4.5 Breuch and Pagan's Lagrangian Multiplier Test ...........98
4.5 Results and Discussion Based on Income Classification...........98
CHAPTER V

FACTORS DETERMINING TRADE IN SERVICES: AN ANALYSIS BASED ON PRE AND POST WTO

5.1 Results and Discussion of Income Classification........................................124
  5.1.1 Results of Model-I for Pre and Post WTO Periods..............................125
  5.1.2 Results of Model-II for Pre and Post WTO Period.............................133
  5.1.3 Results of Model-III for Pre and Post WTO period...........................140

5.2 Results and Discussion: Regional Classification........................................147
  5.2.1 Results of Model-I for Pre and Post WTO period..............................147
  5.2.2 Results of Model-II for Pre and Post WTO period.............................152
  5.2.3 Results of Model II for Pre and Post WTO period............................157

CHAPTER VI

TRADE IN GOODS AND TRADE IN SERVICES: A CAUSALITY TEST

6.1 Introduction...............................................................................................163
8.3 Implications of the Study ......................................................... 213
8.4 Limitation and Future Scope ................................................ 216

REFERENCE ...................................................................................... 217