



**University of Kerala**

Discipline	ECONOMICS				
Course Code	UK3DSCECO203				
Course Title	Economics of the Service Sector				
Type of Course	DSC				
Semester	III				
Academic Level	200 - 299				
Course Details	Credit	Lecture per week	Tutorial per week	Practical per week	Total Hours/Week
	4	4 hours	-		4
Pre-requisites	Basic understanding of Economics.				
Course Summary	The course deals with various economic aspects of the service sector economy. It includes studies on trade in services and macroeconomic dynamics in services sector growth in India.				



**Detailed Syllabus:**

Module	Unit	Content	Hrs
<b>I</b>	<b>Introduction</b>		<b>15</b>
	1	Definition of service -Services for individuals and services for organizations; types (Person-related services, Product-related services; Information-related services, Concepts only) and classification (people-based services or equipment-based services). Activities in the service sector (transport, communication, and banking), Economic services, rural and urban services (Meaning only), Dualism (Concepts of Social Dualism, technological dualism and financial dualism) Unorganized and Organized service sector (Meaning, Differences and examples only).	
	2	Services Economy- Definition and its role in development, Contribution to GDP (Past 10 years) in different Developed (US and European Union countries) and Developing Countries (India and other Asian countries), and linkages to other sectors (Relation with agriculture and industrial sector).	
	3	Sub sectors in the service sector, Knowledge economy, innovation, and Research and development (Concepts only).	
<b>II</b>	<b>Theories of the service sector</b>		<b>10</b>
	4	Unbalanced growth, Fisher-Clark hypothesis, Fuchs model of intersectoral shift in employment, Neo-Industrial Theory of Self-Services (major contributions and diagrammatic explanation of the theory)	
<b>III</b>	<b>Pricing and Measurement of Services</b>		<b>15</b>
	5	Service-value and its calculation (method only) - Features on non-market services (any four features)	
	6	Factors affecting demand and supply in the service sector (Any major five factors). Service production, supply, and distribution. Cost function and optimal charges of service.	
	7	Market economy (Meaning and Characteristics) and provision of services (Definition and overview).	
	8	Measuring output and productivity in the service sector and issues.	
<b>IV</b>	<b>Trade in Services</b>		<b>15</b>
	9	Features of Trade in Services- Barriers to trade in services (natural barriers - geographic or cultural and non-tariff barriers) ;	
	10	Global Trade in Services- General Agreement on Trade in Services (GATS), Impact of globalization-outsourcing, offshoring.	



	11	India's Trade Policy and Trade in Services (Recent trade policy only), Role of the service sector in Indian Economy Reforms in the service sector.	
	12	Employment generation in the Services Sector- Business Services, Telecommunications, Tourism, health care, IT, hospitality, and ITES in India, Gender dimension, FDI in services (Use recent statistics)	
<b>V</b>	<b>Case Studies</b>		<b>5</b>
	13	Tracing the growth of the service sector in India and the changes in its sectoral contribution to the GDP.	

**Reading List**

1. Akehurst, G. and J. Gadrey, The Economics of Services, Routledge, 1998 (Modules 1 and 2)
2. Chanda, R., Trade in Services and India: Prospects and Strategies, Wiley India, 2006 (Module 3)
3. Chanda, R., Globalization of Services: India's Opportunities and Constraints, Oxford University Press, New Delhi, 2002 (Module 3)
4. Jansson, J. O., The Economics of Services, Development and Policy, Edward Elgar Publishing, 2006 (Module 1 and 2)
5. Economic Census of India
6. <https://mospi.gov.in/25-services-sector-statistics>

**Course Outcomes**

No.	Upon completion of the course, the graduate will be able to	Cognitive Level	PSO addressed
CO-1	Understand the economics of the service sector.	R, U	PSO-1
CO-2	Develop a framework for measuring the contribution of the Knowledge Economy and innovation to India's GDP.	R, U, Ap, An, E, C	PSO-1,2
CO-3	Evaluate the trade in services and the impact of globalization on the service sector.	R, U, Ap, An, E	PSO-2,4



CO-4	Create a framework to evaluate the emerging issues in the service sector.	R, U, Ap, An, E, C	PSO-2,3
------	---	--------------------	---------

**R-Remember, U-Understand, Ap-Apply, An-Analyze, E-Evaluate, C-Create**

*Note: 1 or 2 COs/module*

**Name of the Course: Credits: 4:0:0 (Lecture: Tutorial:Practical)**

CO No.	CO	PO/PSO	Cognitive Level	Knowledge Category	Lecture (L)/Tutorial (T)	Practical (P)
CO-1	Understand the economics of the service sector.	PO-1,2 PSO-1	R, U	F, C	L	
CO-2	Develop a framework for measuring the contribution of the Knowledge Economy and innovation to India's GDP.	PO-2,3 PSO-1,2	R, U, Ap, An, E, C	P	L	
CO-3	Evaluate the trade in services and the impact of globalization on the service sector.	PO-2,3 PSO-2,4	R, U, Ap, An, E	P, M	L	
CO-4	Create a framework to evaluate the emerging issues in the service sector.	PO-2,3 PSO-2,3	R, U, Ap, An, E, C	P, M	L	

**F-Factual, C- Conceptual, P-Procedural, M-Metacognitive**

**Mapping of COs with PSOs and POs :**

CO No.	PSO 1	PSO 2	PSO 3	PSO 4	PSO 5	PSO 6	PO 1	PO 2	PO 3	PO 4	PO 5	PO 6	PO 7	PO 8	Average
CO-1	3	1	-	-	-	-	3	2	-	-	-	1	-	-	2



CO-2	2	2	1	-	-	-	2	3	2	1	-	2	1	1	1.7
CO-3	1	3	1	3	-	-	2	3	2	1	-	3	2	2	2.1
CO-4	1	3	3	2	-	1	2	3	3	1	1	3	2	3	2.15
Average	1.33	2.67	1.67	2.5	0	1	2	3	2.3	1	1	2.67	1.67	2	

**Correlation**

Level	Correlation
-	Nil
1	Slightly / Low
2	Moderate / Medium
3	Substantial / High

**Levels:**

**Assessment Rubrics:**

- Quiz / Assignment/ Quiz/ Discussion / Seminar
- Midterm Exam
- Programming Assignments
- Final Exam

**Mapping of COs to Assessment Rubrics :**

CO No.	Internal Exam	Assignment	Project Evaluation	End Semester Exam
CO-1	✓	✓	-	✓
CO-2	✓	✓	✓	✓
CO-3	✓	✓	✓	✓
CO-4	✓	✓	✓	✓

