

An Empirical Analysis of Service Sector Growth in Selected Asian Countries

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This is the first empirical study that models the growth performance of the service sectors in China, Vietnam, Thailand, and Malaysia from 1995 to 2012. The comparative study examines the effects of variables on the expansion of the service sectors for the four countries. A simultaneous equations model is used to investigate the spillover effects between the service sectors and the manufacturing sectors. The findings illustrate a negative and significant effect of China's manufacturing sector on its service sector and that the manufacturing sectors and exports positively and significantly influence the services sectors in Malaysia Thailand and Vietnam.

JEL Codes: C3, O4