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DEVELOPMENT TRENDS IN INTERNATIONAL TRADE IN SERVICES IN 2000 - 2011

Introduction

The increasing significance of the service sector is one of the most important features of the modern world economy. This is visible, among other things, in the rise of its contribution to the creation of the GDP, employment and international trade. The development of new and increasingly more complex relationships between organizations, the processes of globalization and the creation of knowledge-based society result in the development of new services and in the increased expansion and diversification of the sector[1]. In the area of international trade, the increased role of services is caused by the liberalization of service exchange both on a global (in GATT, and then in WTO) and regional scale (within the existing integration organizations) that started in the late 1980s. [2] Moreover, the transfers of direct foreign investments, which for the last dozen years have been made mainly in the service sector, have some impact on the volume and structure of the world trade in services [3].

The aim of the paper is to analyze the international trade in services at the beginning of the 21st century and to identify the main development trends in that area. Particularly, an attempt is made to assess the impact of the world economic crisis that started in 2008 on the dimensions and directions of the international transfer of services. The paper consists of four parts. Firstly, an outline of issues related to the methods of defining and classifying international transfer of services is presented. Then, the paper deals with the volume of the transfer, its dynamics and its geographical and material structure. Finally, the assessment is given of changes in the competitiveness of service trade for several selected groups of countries. The research was conducted in 2000-2012. However, as a significant number of

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[1] B. Pera, *Bezpośrednie inwestycje zagraniczne a eksport usług,* [in:] *Bezpośrednie inwestycje zagraniczne a konkurencyjność eksportu Polski*, edited by S. Wydymus, E. Bombińska, B. Pera, CeDeWu.pl, Warszawa 2012, p. 201.

[2] A. Wróbel, *Międzynarodowa wymiana usług*, Wydawnictwo Naukowe Scholar, Warszawa 2009, p. 144 and ff.

[3] E. Bombińska, *Przepływy bezpośrednich inwestycji zagranicznych w warunkach światowego kryzysu gospodarczego,* in: *Handel międzynarodowy w warunkach kryzysu gospodarczego. Implikacje dla Polski*, edited by S. Wydymus, E. Bombińska, B. Pera, CeDeWu.pl, Warszawa 2012, p. 157.

recent changes began much earlier, in some cases the statistics concerning service trade refer to 1990s. The data used in the paper come from the *UNCTAD Handbook of Statistics*[4].

1. Concept and classification of services in international trade

The analysis of international trade in services faces several difficulties. One of them is the lack of a universally accepted definition of *service* and, consequently, of the definition of international trade in services. A review of the existing definitions makes it possible to identify the approaches to such a complex economic category as service.

Table 1. Methods of defining the term *service*

Definition type	Method of defining
Enumerative definitions	Enumeration of branches, sectors and types of operations included in service sector
Negative definitions	It is assumed that any operations that does not consist in producing material goods is a service
Constructive definitions	The focus in on potentials (the ability of people and machines to offer services), the service (the operation itself) and the result of the service (a non-material product)
Analytical definitions	They describe service operations that meet a particular need.
Contextual definitions	The emphasis is laid on offering and providing services in relation to the sales of products
Compilation definitions	Services are determined by listing their typical features

Source: Author's elaboration based on: : A. Czubała, A. Jonas, T. Smoleń, J.W. Wiktor, *Marketing usług*, Wolters Kluwer Polska, Kraków 2006, p. 11.

Trade in services differs significantly from trade in commodities, which results from specific features of services. The most important ones include: their non-materiality, inability to store, heterogeneity and the resulting difficulty in standardization, and also – in many cases - the necessity of proximity (direct contact) of the supplier and consumer, which is associated with the participation of the latter in the process[5]. Particularly the last feature was the reason why for a long time services were treated as non-tradables and service exchange was taken into consideration mainly in the context of national economies and in a

[4] *UNCTAD Handbook of Statistics*, United Nations, New York and Geneva 2012

[5] B. Hoekman, M.M. Kostecki, *Ekonomia światowego systemu handlu*, Wydawnictwo Uniwersytetu Ekonomicznego we Wrocławiu, Wrocław 2011, pp. 344-345.

much lesser degree in the international exchange[6]. However, the increasing role of services in international trade generated the need for the development of theoretical research and empirical investigations on such a form of economic exchange. The starting point was to develop definitions of international trade in services and classification of international transfer of services that would enable storage of internationally comparable statistics as regards the transfers.

There were attempts to uniform the definition of service and the classification of international trade in services by – among others – the most important international organizations such UN, IMF, WTO, OECD, UBNCTAD and EU (which was represented by European Commission). However, they were not successful as the opinion was that services are intangible products and activities, which – due to their heterogeneous character – are difficult to be determined in one definition[7]. As a result, organizations apply their own definitions of services, and they describe service sector by the enumeration of particular types of service operations. Table 2 presents adequate classifications applied by IMF and WTO. The IMF defined the types of services in the manual on balances of payment of its member states; the balance of services constitutes a part of the current account balance and includes government services rendered by public administration. The WTO, within the work of the Negotiation Group for Services, prepared a classification list of services known as GNS/W/120, which is based on the UN Central Product Classification and includes 12 main service categories that are divided into 155 subcategories. The statistics of international trade in services that are applied in this paper are presented in the IMF format.

[6] A. Wróbel, *Międzynarodowa wymiana usług*, op. cit., p.47.
[7] *Manual on Statistics of International Trade in Services*, Department of Economic and Social Affairs Statistics Division, Statistical Papers, UN, EC, IMF, OECD, UNCTAD, WTO, Geneva, Luxemburg, New York, Paris, Washington D.C., 2002, Series M No. 86, p. 7.

Table 2. Classification lists of services according to IMF and WTO

International Monetary Fund	World Trade Organization
I. Market services	1.Business and professional services
1. Transport	2. Communication services
2. International travel	3. Construction and related engineering services
3. Other services	4. Distribution services
3.1. Communication	5. Educational services
3.2. Construction	6. Environmental services
3.3. Insurance services	7. Financial services
3.4. Financial services	8. Health related and social services
3.5. Computer and information services	9. Tourism and travel related services
3.6. Royalties, patents and license fees	10.Recreational, cultural and sporting services
3.7. Other business services	11. Transport services
3.8. Personal, cultural and recreational services	12. Other services
II. Government services	

Source: Author's elaboration based on: *Balance of Payments Manual – 5th Edition*, IMF, Washington DC 1993, pp. 61-69; *Services Sectoral Classification List*, GNS/W/120, WTO, Geneva 1991.

It is worth mentioning the Uruguay GATT round was also finished without elaborating a commonly applicable definition of services. In the General Agreement on Trade in Services (GATS) only four modes of international transfer of services listed were distinguished. They are[8]:

1/ *cross-border supply* is the case when service is supplied from the territory of one member-state into the territory of another one; thus the sale of a service is similar to the sale of commodities as the service crosses the border and the supplier and consumer remain in their countries (e.g. postal and telecommunication services);

2/ *consumption abroad* – refers to situations where service is supplied to foreign consumer on the territory of the supplier; it is the consumer and not the service that crosses the border (e.g. international tourism, studies abroad);

3/ *commercial presence* – this is a reverse situation to consumption abroad; foreign supplier provides services on consumer's territory by means of branches, agencies and representations (e.g. the services of international banks, legal offices and hotels);

[8] *Układ ogólny w sprawie handlu usługami (GATS)* , Dz.U. z 1998 r., nr 34, poz. 195 (Journal of Laws of 1998, No 34, item 195); *GATS: The Case for Open Services Markets*, OECD, Paris 2002, pp. 59-60

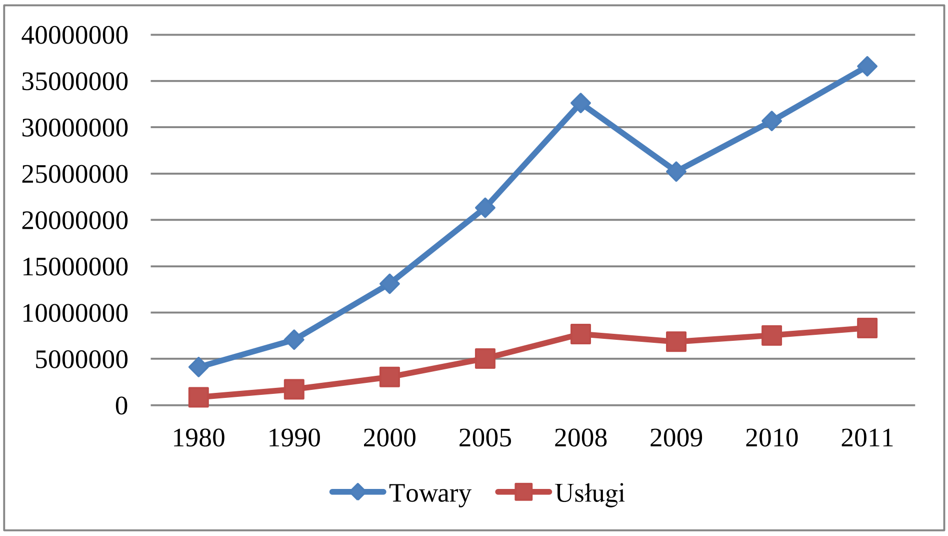
4/ *presence of natural persons* – where the transfer of services is connected with the natural persons entering the other country to supply services (e.g. the services of foreign professionals: doctors, artists, construction and restoration services);

The definition of GATS should be considered as a very broad approach to international trade in services, thanks to which very different types of services and forms of their supply can be taken into consideration. On the other hand, the definition causes problems as regards the storage of statistical data on the volume of the international transfer of services supplied in all four forms[9].

2. Volume and dynamics of international trade in services

In the last three decades the international exports of commodities and services have been gradually increasing, and the dynamics of the growth in the area of services has been higher than in the case of the commodity market. The value of the global commodity exports in 2011 was almost 9 times higher than in 1980, while the respective figure for the services was 10.7 (when compared to the year 2000, the difference in the increase was insignificant and accounted to 2.82 and 2.79 for commodities and services, respectively). Despite a dynamic growth in the time period under investigation– except for 2009 – the contribution of services to the international exports did not exceed 20%. Thus, commodity market remains dominant in the world trade (graph 1)

Graph 1. International trade of services and commodity trading in 1980-2011 (US dollars)



Source: Author's elaboration based on: *UNCTAD Handbook of Statistics*, op. cit.

[9] A. Wróbel, *Międzynarodowa wymiana usług*, op. cit., s. 54

In the long-term increasing trend, year 2009 was an exception as – due to a wave of the global economic crisis – a dramatic slump in international commodity exports occurred (a decrease of 22%), which was accompanied by a decrease of the volume of the service exports by a significantly lower figure (11%). In the subsequent two years, the turnover of the global trade regained a positive rate of change: the annual increase in trade in services reached the level of 10%, while in the case of commodities it was higher and amounted to approx. 21% in 2010 na 19% in 2011 (table 3).

Table 3. Value and dynamics of international turnover in services and commodity trading in 2008-2011

	Turnover value (bln USD)						Dynamics (previous year =100)			
	2000	2007	2008	2009	2010	2011	2008	2009	2010	2011
Services										
Exports	1521	3476	3914	3486	3834	4243	112.6	89.1	110.0	110.6
Imports	1515	3247	3759	3366	3685	4081	115.8	89.6	109.5	110.8
Commodity										
Exports	6444	16122	16137	12518	15257	18211	100.1	77.6	121.9	119.4
Imports	6658	16122	16486	12701	15426	18379	102.3	77.0	121.5	119.1

Source: Author's computations based on: *UNCTAD Handbook of Statistics*, op. cit.

The dynamics of international service turnover differed for particular groups of countries. In 2011, the countries under transformation showed a highest, fivefold increase in both exports and imports of services in relation to 2000. The increase in the service turnover in developed countries was half the volume of the growth in the countries under transformation, while in the group of developing countries it rose by 251% as regards the imports and by 261% as regards the exports. One should also note the differences in the dynamics of the change of the volume of the trade in services in 2009- 2211. The fall of the turnover that was caused by the crisis was evident in the countries under transformation (-18%, both in the exports and imports) and in the group of the developed countries (-12%), while the lowest decrease, below 9%, occurred in the developing countries. On the other hand, in 2010-2011, the positive change trend in developing countries and the countries under transformation was significantly higher than in the developed economies. . As a result of the changes in 2012, the volume of trade in services in the group of developing countries was over 20% higher (exports: 22%, imports 25%), while in the developed countries the increase was only 3% and in the countries under transformation it reached 7% in the exports and 9% in the imports (table 4)

Table 4. Dynamics of service turnover in selected groups of countries in 2000-2011

	Previous year = 100				2008=100	2000=100
	2008	2009	2010	2011	2011	2011
Exports						
Developing countries	116	91	120	113	122	361
Countries under transformation	126	82	108	121	107	514
Developed countries	111	88	105	112	103	247
Imports						
Developing countries	119	92	118	116	125	351
Countries under transformation	126	82	115	116	109	531
Developed countries	111	88	104	113	103	225

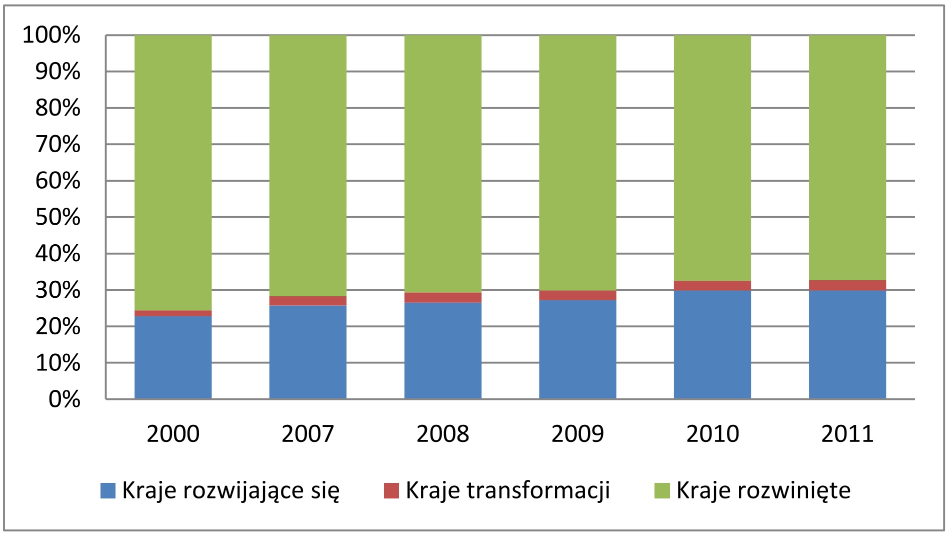
Source: as in table 3.

According to the statistics, there is no doubt that the crisis affected most significantly the trade in services of the developed countries.

3. Geographical and material structure of international trade in services

The main role in the structure of the international trade in services is played by developing countries – in 2010 they accounted for 67.6% of the services exports (graph 2). However, the contribution to the international trade in services of this group of countries decreased significantly in the period under investigation, which was obvious, considering the differences in the change dynamics of services turnover that was mentioned before. The fall in exports – mainly for the sake of developing countries – amounted to 7.7 pp and it can be considered as the follow up of the trend that started already in 1990s (Cf. table 5).

Graph 2. Geographical structure of the world exports of services in 2000-2011 (%)



Source: as for graph 1.

In the period under analysis, several changes occurred as regards the geographical structure of the international services exports in particular service branches. The domination of the developed countries was visible in every service sector; however, these countries decreased their contribution to exports– mainly for the sake of the developing countries – in all sectors except for telecommunication and insurance, and in personal, recreational and cultural services. In 2011, the group of developed countries played the least role in the exports of construction services (contribution of 55.9%), tourism (58.1%) and transport (62.6%), i.e. in sectors that do not require highly qualified workers. In 2000-2011, the contribution to the international exports of the developed counties in the above mentioned sectors decreased significantly and equaled 24.3 pp, 13 pp and 10.2 pp, respectively. A substantial decrease of the contribution of this group of countries to the exports of telecommunication (17.4 pp) is remarkable. On the other hand, the group in question contributed significantly to the exports of license (95%), personal, recreational and cultural services (87.4%) and financial services (82.5%). Moreover, a high stability of the exports of license (drop by 0.4 pp) on the part of the developed countries can be observed in the period.

There are only two developing countries among the top ten world exporters: China and India; and from this group only China belongs to the greatest world importers. Although decreasing, the concentration of the world trade in services (this regards especially the imports) is significant – in 2010 over half of the international services exports and almost 47% of imports accounted for 10 countries, a the majority of the greatest world service exporters were at the same time the biggest importers (table 6).

Table 5. Geographical structure of international services exports in 2011 and its changes in relation to 2000 by service branches

	Services total		Transport		Tourism		Other services	
	Contribution (%)	Change (pp)	Contribution (%)	Change (pp)	Contribution (%)	Change (pp)	Contribution (%)	Change (pp)
Developing countries	29.7	6.6	32.7	8.3	38.5	11.4	24.7	5.2
Countries under transformation	2.7	1.1	4.7	1.9	3.4	1.6	1.9	1.0
Developed countries	67.6	-7.7	62.6	-10.2	58.1	-13.0	73.3	-6.2
	Telecommunication		Construction		Information		Insurance	
	Contribution (%)	Change (pp)	Contribution (%)	Change (pp)	Contribution (%)	Change (pp)	Contribution (%)	Change (pp)
Developing countries	23.5	-3.8	39.4	21.6	30.4	16.2	20.3	-4.1

Countries under transformation	3.9	1.0	4.7	2.7	1.5	1.2	0.9	0.4
Developed countries	72.7	2.7	55.9	-24.3	68.1	-17.4	78.8	3.6
	Finance		License		Other business services		Personal,recreational and cultural	
	Contribution (%)	Change (pp)	Contribution (%)	Change (pp)	Contribution (%)	Change (pp)	Contribution (%)	Change (pp)
Developing countries	16.9	5.3	4.6	0.2	30.1	4.8	10.5	-6.2
Countries under transformation	0.6	0.3	0.5	0.2	2.4	1.3	2.2	1.9
Developed countries	82.5	-5.6	95.0	-0.4	67.6	-6.2	87.4	4.2

Source: as in table 3.

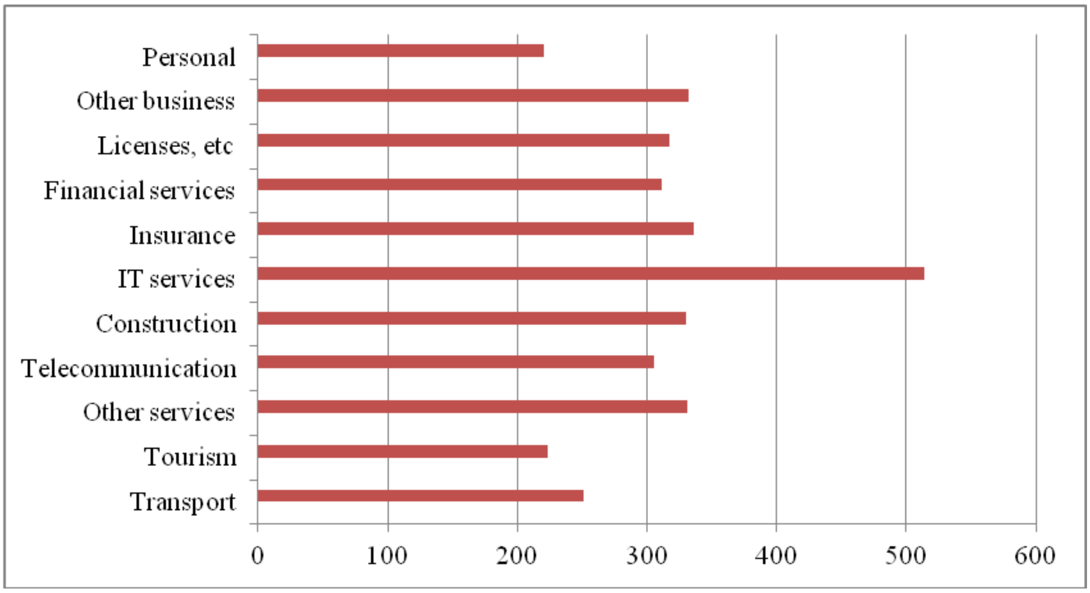
Table 6. The biggest world exporters and importers of services in 1990 , 2000 and 2010 . (%)

Exports				Imports			
Countries	1990	2000	2010	Coountires	1990	2000	2010
Developed countries	79.9	75.3	67.6	Developed countries	74.4	70.7	61.4
Developing countres	18.1	23.1	29.7	Developing countres	22.1	27.4	35.2
Countries under transformation	2.0	1.6	2.7	Countries under transformation	3.5	1.9	3.4
USA	30.0	19.0	14.4	USA	13.4	14.5	11.0
UK	11.4	7.9	6.5	Germany	9.7	9.1	7.2
Germany	12.7	5.4	6.2	UK	5.5	6.6	4.5
France	13.7	5.4	3.8	Japan	9.6	7.0	4.3
Japan	8.4	4.6	3.7	China	0.5	2.4	5.2
Spain	5.7	3.4	3.2	France	5.9	4.3	3.6
China	1.2	2.0	4.5	Italy	5.3	3.7	3.0
Netherlands	5.9	3.2	3.1	Netherlands	3.4	3.4	2.9
Italy	10.1	3.7	2.6	Ireland	0.6	2.1	2.9
India	0.9	1.1	3.2	Spain	1.8	2.2	2.4
Main exporters - total	59.4	55.9	51.1	Main importers – total	55.8	55.2	46.9
Poland	0.4	0.7	0.8	Poland	0.3	0.6	0.8

Source: as in table 3.

In 2000-2011, a significant change in international trade in services occurred in particular branches. According to the data given in table 4, in the period under analysis the exports of traditional services in transport and tourism developed much more slowly (the growth was by 151% and 123%, respectively) than the exports of services classified as the so called other services (increase by 232%). As far as the remaining services are concerned, there was a fivefold increase in exports in IT services; and the least growth was in personal, recreational and cultural services.

Graph 3. Dynamics of international exports of services by service branches in 2011 (2000=100)



Source: as in table 3.

As a result of the above mentioned trends, there were significant changes of the material structure of the international trade in services. Table 7 presents the figures for the world exports of services in the selected years of the 2000-2011 period by branches distinguished by the WTO classification.

Table 7. Branch structure of the world exports in services in 2000-2011

	Value of exports (bln USD)				Change 2000=100	Contribution in world exports (%)	
	2000	2005	2010	2011	2011	2000	2011
Transport	343.1	569.0	790.8	860.1	251	22.6	20.3
International travel	479.4	694.6	950.5	1 067.4	223	31.5	25.2
Other services including:	695.6	1 299.5	2 096	2 309	332	45.9	54.5
Telecommunication	33.5	59. 4	94.0	102.2	305	2.2	2.4
Construction	30.9	56.5	94.5	101.8	329	2.0	2.4
Insurance services	25.6	49.0	81.0	86.1	336	1.7	2.0
Financial services	99.8	178.7	275.9	310.3	311	6.6	7.3
Computer and information services	48.5	107.4	216.1	249.5	514	3.2	5.9
Royalties, patents and license fees	84.5	150.7	237.9	267.9	317	5.5	6.3

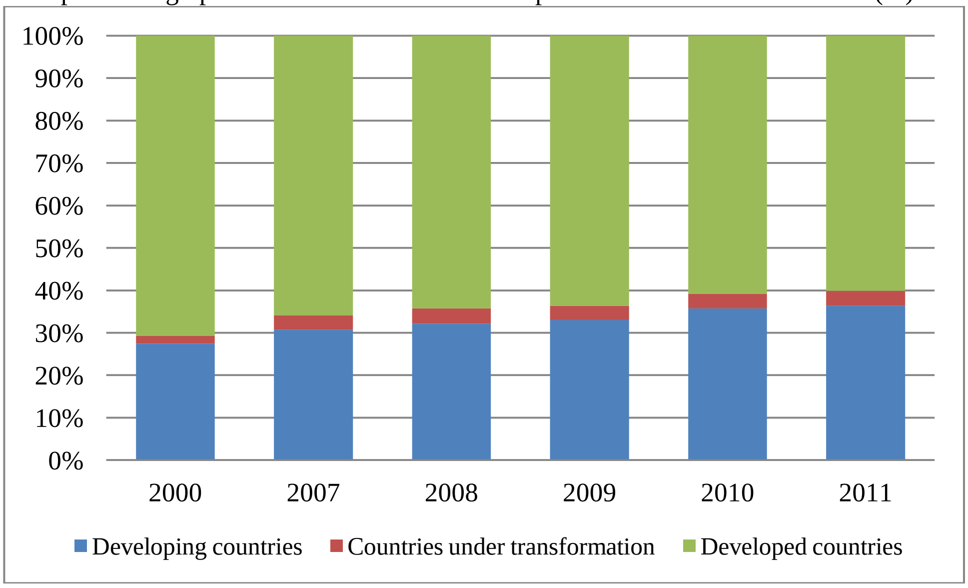
Other business services	322.2	608.8	977.6	1 069.9	332	21.2	25.2
Personal, cultural and recreational services	23.7	32.1	44.8	52.1	220	1.6	1.2

Source: as in table 3.

The presented statistics indicate that in the period under investigation other services increased their contribution in the world exports by 8.6 pp and in 2011 it accounted for 54.5%, while the contribution of transport services and tourism decreased by 2.3 pp and 6.3 pp, respectively. In the sector of other services, the dominating role was played by the so called other business services (in 2011 their share was 25.2%), financial services (7.3%) and IT services (5.9%). In the period, every branch included in the group of other services – except for personal, recreational and cultural services – increased its contribution in the world exports of services; the highest growth was observed in other business services (by 4 pp) and IT and information services (2.7 pp).

Changes – similar to the ones that occurred in the geographical and material structure of the world exports of services in 2000-2011 – also concerned the imports. Here, the biggest share was on the part of the developed countries: in 2011 it accounted for 61.4% and was 9.3 pp lower than in 2000, while an increase in the share was noted in the case of the other two groups of countries; it was 6.6 pp for the developing countries and 1.1 pp for the countries under transformation (graph 4).

Graph 4. Geographical structure of the world imports of services in 2000-2011 (%)



Source: as in graph 1.

It can be concluded from the data given in table 8 that in the period under investigation the developed countries decreased their share in the world imports in the three basic service branches; the most significant fall was noted in transport services (16.4 pp), tourism (14.4 pp) and – to a lesser degree – in the imports of other services (5.7pp).

Table 8. Changes in world imports of services in 2000-2011 by service branches and groups of countries

	Imports (mln USD)		Dynamics (2000=100)	Share in world imports of services	
	2000	2011	2011	2000	2011
Transport services					
Developing countries	138408	526120	380	33.1	47.8
Countries under transformation	4885	31263	640	1.2	2.8
Developed countres	275474	544026	197	65.8	49.4
Tourism services					
Developing countries	103787	339966	328	23.7	35.8
Countries under transformation	11646	47209	405	2.7	5.0
Developed countres	321691	561969	175	73.6	59.2
Other services					
Developing countries	172987	616073	356	26.2	30.3
Countries under transformation	11857	67485	569	1.8	3.3
Developed countres	475226	1347789	284	72.0	66.3

Source : as in table 3.

In the case of the remaining two groups of countries there was an increase in the contribution to every service branch. It was particularly visible in the group of developing countries, where the rise in the contribution to the imports of transport, tourism and other services accounted for 14.7 pp, 12.7 pp and 4.1 pp, respectively.

4. Structure of competitive advantages in world trade in services

In the analysis of the structure of competitive advantage in the world trade in services two measures will be applied that are often used in the analysis of competitiveness in trading commodities, i.e. Trade Coverage (TC) and RCA (Revealed Comparative Advantage).

$$TC_i = \frac{x_i}{m_i} \cdot 100$$

In TC , the coverage of the national imports of commodity/service *i* by the domestic exports of the commodity/service is given by formula:

$$TC_i = \frac{x_i}{m_i} \cdot 100$$

where: x_i - value of exports of commodity/service *i*,

m_i - value of imports of commodity/service *i*.

TC_i >100 indicates that a given country specializes in the trade of commodity/service *i*, as the exports of the commodity/service exceed the volume of its imports. Thus, it can be supposed that the country has a comparative advantage over its foreign partners as regards trading commodity/service *i*. However, it should be mentioned that indicators TC_i refer only to the exports and imports of a country under analysis and in a way they constitute a measure of its "internal" comparative advantage, without considering the advantages in trading of a given commodity/service that other countries may have. This restricts the usefulness of TC_i in assessing the competitive advantage of a country and, consequently, it is advisable to apply it together with other relevant indicators [10].

The other indicator is RCA, which can be given by formula[11]:

$$RCA_{iK} = \frac{x_{iK}}{x_{iS}} : \frac{x_K}{x_S}$$

where: x_{iK} - country's K exports of commodity group *i*,

x_{iS} - world exports of commodity group *i*,

x_K - total exports of country K,

x_S - total world exports.

RCA value higher than 1 indicates that a given country has a comparative advantage in trading a particular commodity/service – this is because the share of a given commodity/service in the exports of a country under investigation is higher than the share of this commodity/service in the world exports.

[10] E. Bombińska, *Konkurencyjność eksportu i jej miary*, Zeszyty Naukowe Uniwersytetu Ekonomicznego w Krakowie, No 845, Kraków 2010, p. 51.

[11] In the literature on the subject, modified formulas of RCA can be fund. E.g. see: e. B. Pera, *Bezpośrednie inwestycje zagraniczne a eksport usług,* op. cit., p. 191; E. Bombińska, *Konkurencyjność eksportu i jej miary*, op. cit., p. 52.

Table 9 presents values of TC and RCA in world trade in three basic groups of services, i.e. transport, tourism and other services. It can be concluded from the figures concerning the two indicators applied in the analysis that countries under transformation had competitive advantage in the trade in transport services, the developing countries in tourism services, and the developed countries in the trade in other services. Moreover, the trends in the value of the TC and RCA indicators as regards the trade in the group of other services indicate explicitly a low and insignificant increase of the competitive advantage of the countries under transformation and the developing ones in the period under analysis. It is rather difficult to assess the competitiveness of these two groups of countries in the trade in transport services (the developing countries) and tourism services (countries under transformation) due to the contradictory values of TC (below 100) and RCA (over 1). This may be caused by the deficiency of the indicators as regards the measurement of the competitiveness in trade, which results from a limited area of their reception and punctual character - RCA does take into consideration the value of national imports, and TC does not consider the world trade volume. However, in the period under analysis the developing countries and the countries under transformation noted a highly dynamic development of the exports in services that exceeded the world growth rate (which was indicated by the RCA values over 1) and – simultaneously – they increased the volume of their imports of services, whose value exceeded the volume of the exports (RCA less than 100) . Thus, it seems that the claims of the competitiveness of the developing countries in trade in transport services and of the countries under transformation as regards trade in tourism services are unjustified.

Table 9. TC and RCA in world trade in transportation, tourism and other services in 2000-2011 by groups of countries

	TC				RCA			
	2000	2005	2010	2011	2000	2005	2010	2011
Transport services								
Developing countries	61	62	57	53	1.06	1.13	1.10	1.10
Countries under transformation	195	161	137	129	1.74	1.52	1.65	1.64
Developed countries	91	94	100	99	0.97	0.94	0.93	0.93
Tourism services								
Developing countries	126	131	123	121	1.18	1.25	1.29	1.29
Countries under transformation	72	84	77	76	1.10	1.32	1.15	1.18
Developed countries	106	101	107	110	0.94	0.91	0.87	0.86
Other services								
Developing countries	79	91	93	93	0.26	0.27	0.36	0.37
Countries under transformation	53	55	65	66	0.56	0.61	0.68	0.68
Developed countries	117	124	124	126	1.06	1.08	1.09	1.09

Source: as in table 3.

Table 10 presents RCA values for services that in the world service trade are classified as other services[12]. As it was mentioned before, the developed countries, in contrast to the developing countries and the countries under transformation, have a competitive advantage in the trade of this group of services. However, the disaggregation of the data makes it possible to reach some more precise conclusions in this area. From among 8 service branches that are included in other services, in 2011 the developed countries had a competitive advantage in the exports of all the branches, except construction services. Moreover, the values of RCA were the highest in the case of the trade in license, personal, recreational and cultural and financial services. The comparative advantage of this group of countries was the least as regards other business and IT services .

Table 10. RCA in world trade in service branches from the sector *Other services* in 2000-2011 by groups of countries

	Telecommunication				Construction			
	2000	2005	2010	2011	2000	2005	2010	2011
Developing countries	1.18	1.08	0.86	0.79	0.77	1.03	1.28	1.32
Countries under transformation	1.76	1.35	1.40	1.35	1.23	2.26	1.62	1.63
Developed countries	0.93	0.96	1.05	1.08	1.07	0.95	0.85	0.83
	IT services				Insurance			
Developing countries	0.62	0.85	0.99	1.02	1.06	0.82	0.65	0.68
Countries under transformation	0.20	0.31	0.47	0.52	0.29	0.44	0.36	0.32
Developed countries	1.13	1.07	1.02	1.01	1.00	1.08	1.18	1.17
	Financial services				Lcenses			
Developing countries	0.50	0.46	0.57	0.57	0.19	0.16	0.14	0.15
Countries under transformation	0.16	0.19	0.25	0.20	0.16	0.14	0.15	0.16
Developed countries	1.17	1.21	1.22	1.23	1.27	1.31	1.41	1.41
	Other business services				Personal services			
Developing countries	1.09	1.00	1.02	1.01	0.72	0.48	0.35	0.35
Countries under transformation	0.64	0.65	0.81	0.83	0.16	0.44	0.98	0.76
Developed countries	0.98	1.01	1.00	1.00	1.10	1.19	1.29	1.30

Source: as in table 3.

On the other hand, the developing countries improved significantly their competitiveness in the exports of construction services and revealed some advantage in the trade of IT and other

[12] Due to the lack of accessible statistics regarding the value of imports by service branches and groups of countries, TC indicators were not determined.

business services. In the period under investigation, the countries under transformation had a very low competitiveness of the service branch referred to as other services. The only exception were the construction and telecommunication services, where RCA for these countries was on very high levels.

Conclusion

The above presented analysis enables the formulation of several conclusions concerning the trends in the development of international trade in services in 2000-2011.

In the period under analysis, the world trade in services had a high dynamics of growth. However, the trade of commodities still remained a dominating part of the world trade. In comparison to services, the trade in commodities was much more sensitive to the changes in economic situation and consequently, there was a higher amplitude of its volume, which was clearly visible in 2009-2010 when the world economic crisis expanded

In the period under investigation, significant changes in the material structure of international trade in services occurred. They consisted in the decrease of the significance of the international trade in transport and tourism services for the sake of the so called other services that were dominated by the group of other business services.

As a result of a varied dynamics of the trade in services in the groups of countries under analysis, well developed countries – although they maintained their dominating position –decreased significantly their share both in the world exports and imports in the period under investigation. The role of this group of countries decreased especially in the exports in services that do not require highly qualified manpower (construction, tourism and transport services). However, it should also be noted that their contribution to the world exports in IT and information services considerably dropped. The above changes were accompanied by transformations in the structure of comparative advantages demonstrated by particular groups of countries.

The changes in the volume and structure of the world trade in services that were observed in the period under investigation constituted a continuation of the trends visible in 1990s. It seems that the global economic crisis did not cause an inversion of the trends but quite the contrary – it enhanced them.

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Abstract

The paper presents an analysis of the world trade in services in 2000-2010. It is an attempt to identify main development trends with a particular consideration of the impact of the world economic crisis that started in 2008 on the volume and directions of international transfer of services. The paper presents the most important issues regarding methods of defining and classifying the international trade in services; it analyzes its volume, dynamics and geographical and material structure. Finally, it analyzes the changes in the competitiveness of the trade in services broken down by selected groups of countries. After the investigations it can be concluded that the global economic crisis did not cause an inversion of the

development trends in the international trade in services that were visible before 2008 but - quite the contrary – it enhanced them.