



Woman in Development and Politics

The Role of Trade Liberalization in Changing Employment Patterns of Rural Women in Iran

Fatemeh Karami¹ | Mohammad Ali Asaadi² | Sadeh Khalilian³

1. PhD Student, Department of Agricultural Economics, Faculty of Agriculture, Tarbiat Modares University, Tehran, Iran. E-mail: fatemeh.karami@modares.ac.ir
2. PhD Graduate in Agricultural Economics, Faculty of Agriculture, Tarbiat Modares University, Tehran, Iran. E-mail: a.asaadi68@yahoo.com
3. Full Professor of Agricultural Economics Department, Faculty of Agriculture, Tarbiat Modares University, Tehran, Iran. E-mail: khalil_s@modares.ac.ir

Article Info	ABSTRACT
Article type: Research Article	Introduction In the present day, the status and participation of women are acknowledged as critical indicators of a nation's development. A review of global trends reveals that the role of women in the pursuit of justice, social development, and economic growth has garnered more attention than ever before. Women's empowerment, particularly in rural areas, not only enhances labor productivity but also plays a crucial role in promoting social justice and accelerating the process of sustainable development. The empowerment of rural women and the increase in their economic participation are significantly influenced by trade expansion. In recent years, numerous developing countries have implemented trade liberalization policies to generate new employment prospects for women. Nevertheless, the majority of research in Iran has concentrated on the influence of exports on the overall employment situation, while the effects of trade liberalization on rural women's employment have received less attention. This study aims to fill this research gap by investigating the effects of trade liberalization on the employment of rural women and illustrating how trade policies can affect the economic participation of this demographic. This issue can be analyzed to develop strategies that not only capitalize on the opportunities generated by trade expansion but also mitigate its potential adverse effects on the employment of rural women.
Article history: Received: 15 March 2025 Received in revised form: 4 May 2025 Accepted: 16 June 2025 Published online: 23 July 2025	Methodology The utilization of the ARDL approach in this research enables the investigation of the impact of trade liberalization and rural population on the participation rate of rural women over a variety of time periods, thereby facilitating a more thorough comprehension of the dynamics of these relationships. Based on the findings of previous studies (Voumik et al., 2023; Nica et al., 2023), the significant variables have been identified and incorporated into the research model. In this regard, the conceptual model of the investigation is delineated by the subsequent equation: $LEPW_t = f(LOP_t, LG_t, LPOP_t, LIN_t)$ In this model, the dependent variable is the economic participation rate of rural women, denoted as ($LEPW_t$), while the main independent variable is trade openness (LOP_t). Additionally, the variables for agricultural sector growth (LG_t), rural population ($LPOP_t$), and inflation (LIN_t) are also included in the function. The inclusion of these variables in the model is based on economic theoretical foundations, as changes in each of these factors are expected to influence the economic participation of women. This research employs time series data from 1999 to 2021, which has been gathered from reputable sources, including the Statistical Center of Iran, the Central Bank, and the Customs Administration of the Islamic Republic of Iran. Microfit5 and Eviews10 software were implemented for the analyses.
Keywords: ARDL Model, Rural Women, Trade Liberalization, Women's Economic Participation.	Results The stationarity of the research variables is investigated in this study by employing the Augmented Dickey-Fuller unit root test. The findings suggest that the rural population variable is stationary, whereas other variables, including the economic participation rate of women, trade openness, agricultural value added, and inflation rate, are stationary at first difference. These distinctions indicate that the ARDL paradigm is appropriate for the

examination of both short-term and long-term relationships. The findings indicate that trade openness has a positive and significant impact on the economic participation rate of rural women in the long term. The coefficient for this variable is estimated to be 0.27, which is statistically significant at the 90% confidence level. However, it does not have a substantial effect in the short term. Additionally, agricultural sector growth positively and significantly affects this rate in both the long- and short-terms. Conversely, the economic participation rate of women is adversely affected by the rural population and inflation rate in both the short and long term, despite the fact that the effect of inflation is not statistically significant. In the short term, the economic participation rate of women is significantly influenced by certain variables; however, trade openness does not exhibit a substantial effect. The error correction coefficient indicates that 39% of the short-term imbalance in the economic participation rate of women is corrected. The diagnostic tests' results verify the hypothesis of homoscedasticity and the absence of serial correlation in the disturbance terms. Furthermore, the LM and F statistics indicate that the functional form of the model is accurately specified and that the distribution of disturbance terms is normal. The CUSUM and CUSUMSQ tests indicate that the estimated coefficients remain stable throughout the period under investigation, and the model possesses the necessary structural stability.

Conclusion

The findings of the research indicate that, in the long term, an increase in trade openness has a positive and significant impact on the economic participation rate of rural women. New employment opportunities in agriculture, handicrafts, and export-related services may arise as a result of this trade expansion. Furthermore, with the expansion of consumer markets and the growing demand for products made by rural women, their position in economic activities is strengthened. The expansion of women's job skills and their entrance into competitive markets are also facilitated by trade development, which involves investments in infrastructure, technology, and education. Additionally, economic and demographic factors significantly affect the economic participation rate of rural women. The growth of the agricultural sector positively impacts women's employment, highlighting the importance of sustainable agricultural development. Conversely, the rural population may be influenced by traditional gender role patterns and competition in the labor market, which may result in a negative impact on women's participation. Further, inflation rates have a detrimental impact on women's economic participation, although this effect is not statistically significant. Trade openness does not have a significant effect on women's participation in the short-term. This is likely due to the time required for economic and social structures to adjust to trade developments and the necessity of improving women's skills and capabilities. Based on the research findings, policymakers can create opportunities for rural women to benefit from trade by implementing supportive measures and structural reforms. These measures encompass the establishment of financial funds specifically for women entrepreneurs, the expansion of investment in vocational training, the development of transportation and communication infrastructure, and the establishment of cooperative networks. Additionally, designing trade policies with gender considerations and supporting local supply chains that involve women can help mitigate the negative consequences of global competition. Developing export markets for products produced by rural women and facilitating trade processes are also strategies that can strengthen their economic participation.

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