

## **ECONOMIC FREEDOM OF WOMEN AND ITS IMPACT ON ECONOMIC GROWTH**

**Prof. Dr. Abdul Ghafoor Awan<sup>1</sup>, Ayesha Akbar<sup>2</sup>**

**ABSTRACT**-The objective of this research paper is to study the determinants of economic freedom of women and their impact on economic growth of Pakistan. A time series data is taken for the period of 1974-2014. The data was collected from World Bank Meta data of Pakistan, Economic survey of Pakistan and State Bank of Pakistan. Gross domestic product is taken as dependent variable while adult literacy rate of female, female employment in industrial sector, female employment in agriculture sector, fertility rate, unemployment ratio of female and labor force ratio of female are taken as independent variables. Auto Regressive Distributed Lag model was used to draw the results. The results show that female employment in industrial and Agriculture sector, unemployment ratio of female, adult literacy rate of female and labor force ratio of female have significant relation with the gross domestic product in the long run period. We suggest that government takes steps to increase the level of education and also promote the women empowerment in country.

**Key words:** Economic freedom, Women empowerment, ARDL, female labour force.

Type of study: **Original Research paper**

Paper received: 12.04.2018

Paper accepted: 12.06.2018

Online published: 01.07.2018

---

1. Dean, Faculty of Management and Humanities, Institute of Southern Punjab, Multan. [ghafoor70@yahoo.com](mailto:ghafoor70@yahoo.com). Cell # +923136015051
2. M.Phil Scholar, Department of Economics, Institute of Southern Punjab, Multan.

## 1.INTRODUCTION

Economic freedom is the key to a better quality of life and greater opportunities. It prefers how to produce sales, while relating to the rights of others to do the same, and the freedom to use their own possessions. And run an easy concept, economic freedom, and prosperity in the world and not the others EFW index. Many empirical studies do show differences between certain societies thrive while others are correlated with a country's level of economic freedom is highly an engine that is economic prosperity, investment, and economic development rates. Additional studies have shown the EFW index, or its constituent parts, absolutely as nations (Gartzky, 2007; Hall & Lawson, 2009) between connected with many non-financial calculates of welfare to sustain peaceful dealings and various measures of individual well-being (Norton, 1998, 2003; Stroup, 2007).

The proper definition of economic freedom of women is not yet presented at any level. But the definition of economic freedom exists and is presented below:-

*“Economic freedom or economic liberty refers to the freedom available to members of a society to engage in various economic activities and achieve certain economic outcomes. This is a term used in economic and policy debates as well as in the philosophy of economics.”*

Women's economic independence is a necessary element for economic development probably only imaginary fields of cooperation. Entrepreneurs, innovators and investors have large institutions and required incentives to utilize their capabilities. North (1990) states that you cannot be successful or effective without resources. The economic independence of women can be explained as a simple case of supply and demand in the precious human capital advantage. Think about the demand side. People in a society based on the market to participate in a voluntary

exchange in a highly competitive economy. Making bad economic decisions do not share any third party bags that nonprofit economic decisions in favor or damage. These incentives are looking for more than that for the mutual benefits of trade, means that everyone in the community.

The largest study on the impact of economic freedom on the recent publication of (Gwartney and Lawson, 2004; Gwartney, Holcombe and Lawson 2006) strong and positive impact on levels of economic freedom and improving growth was confirmed. First, I selected but not developed: published literature, as well as ongoing work, two ways to increase my graduate student about a (Liu 2007) of the students, the impact of economic freedom on growth the impression is that this observation period; second, and more importantly, it applies to the first year of economic independence, instead of the average level of economic freedom, progress monitoring of a single point measurement time. If we compare, for example, the study of Haan and Sturm (2000) used Gwartney, Holcombe and Lawson (2006), the first study Cato Journal, Vol. 26, NO 3 (2006 fall).

### **1.1 Evolution of Gender and Development**

In the 1970s, it is not gender neutral, gender-blind has been developed, the research on African farmers and can affect women. Approach to the development of women's awareness (MED), emerges which has built a development issue as exclusion of women from a benign process. Women's subordination resources market scope and limited access to and control is deemed to have its roots in their emissions. The key development encourages discrimination legislation and to limit their participation in education.

According to WID the most important factor in women, especially women and income generation approach to resources that focus on productive partnership. These reproductive contribute less stressed. The unequal gender roles and

relationships of women's inequality and exclusion basic: WID says gender equality advocates expanding real structural problem, not the solution. This approach is focused on the known practical gender needs, provide better access to water, household activities, it's time for women and girls to take place, which will give more time to their studies which will reduce or employment. Why women are responsible for collecting water, or why it was built as improving access to the water needs of women and girls have not been any inquiries.

In 1980, Gender and Development (GAD) began MED criticism. GAD recognizes that gender roles and relations "gender", shows that play an important role in improving the quality of life of women with a term that requires attention for women and men. Recently, gender, such as age, race, need to understand the impact that how intersects with other characteristics, sexuality celebrated Andes. GAD approach recognizes that it is not enough to include women and girls in the process of development, but is laying on excluded needs serious current problem, stressing that the imbalance debate on power this exception should be addressed, GAD development and most social vision of its benign nature, which both mean the need to move away from a narrow understanding of the working of the economic questions of human development.

The 1990s witnessed the rise of as many NGOs have adopted a rights-based approach to development agencies. By the women's movement's most significant achievement may be the establishment of such sexual and reproductive rights. It was brutal recognize women's right to life without violence, and sex by expanding the understanding of violence against women. Changes in understanding of development were that the economic growth to a more comprehensive approach to social development, but economic growth remains the main driving force.

For associations and organisms with the greatest expansion, according to the WID, it is now largely replaced by GAD, which has been institutionalized within the framework of the concept of gender. Only offers the opportunity to adapt to the downfall in the development center, although it was criticized as a Windows exercise, representing a gender perspective. However, women's rights, especially in the area of sexual and reproductive rights to health, are not recognized as rights, and throughout the world violence against women is still not fully and economically and equally in political life. The focus has not yet been achieved, and there is a need to further integrate women into the development priority.

## **1.2. Main Research problem**

The main research problem of this study is “Economic Freedom of Women and Its Impact on Economic Growth”.

## **1.3 Problem Statement**

Today world is known as the global village due to fast means of communication. Business activities are increasing and the production techniques are modernized due to the use of technology. The national and per capita income of the people are also increased, people living standard is also upgraded. Each individual either it is men or women are participating in economic activities. In developed countries there are no differences between the genders but in developing countries gender gap exists and women are not participated in economic activities substantially. One reason is gender gaps still exists in developing countries. To increases the level of income and living standard each individual of the country should participate in the economic activities.

### **1.3. Objective of the Study**

The main objective of this study is to examine whether the economic independence of women, providing them with the necessary tools to be selected set of individuals to become.

1. To study how the economic freedom weights to the gender norms.
2. To study the legal barriers in the way of women economic freedom and economic rights.
3. Do the modifications appreciably alter the relation EFW positions of the countries once gender norms and legal barriers are taken into the account?
4. To analyze why is preferences given to males over females in employment, education and leadership opportunities.
5. To study the women freedom and empowerment have significant impact on economic development.

## **2. LITERATURE REVIEW**

Hall and Bolong (2015) have tried to find the research of economic freedom as comments and suggestions. The main purpose of the study was very important in the investigation of the research and the improvement of investigation using the freedom of economic activities of the world index, and also to investigate the research capability or to develop a new database and weight proposal. The study tries to solve three false concepts about the economic freedom of the world. First of all, the country's policies and institutions which were designed to see index degrees are reliable with the traditional moderate explanation of economic freedom. Second, the economic freedom of the global index was designed to measure economic independence where the right to individual selection and personal property is necessary for it, the government's expenditure and mutual support was required.

Third, the global index was designed to find the relationship between the economic freedom index and five sub-segments of their relationship.

Jahan (1989) shows that macroeconomic policies, major programs and projects tend to focus on the differentiated roles of men and women in development; but their influence on changing the role and status of genres is much higher than mandates and specific projects for women. Plans and resource allocation schemes usually ignore the productive role of women. Assistance to the donor project emphasizes the reproductive role of women in the narrow context of birth control for women. The special mechanisms created to protect women's equal participation remain institutionally weak.

Postmus, 2000 (referred to in Johnson, 2008) contend that abusive behavior at home is an example of conduct in a connection by which the batterer endeavors to control casualty through an assortment of approach. These arrangements may incorporate apprehension and terrorizing any sort of misuse, pulverization of property and pets, confinement and detainment, financial misuse, and unbending desires of sex parts. Social standards and religious qualities is a noteworthy social issue of women improvement in Bangladesh. Ladies are financially defenseless circumstance inside the family to abuse and mishandle by spouses, in-laws, and other relatives. In 2007 exploration study demonstrated that more than half of wedded ladies matured 15-49 reported that they had encountered some type of physical and sexual brutality from their spouses. Bangladesh is a reasonable spot for ladies and youngster trafficking in light of poor monetary condition. Grown-ups are likewise trafficked inside for utilizing business sex laborer and sexual abuse. Youngsters are sold into servitude by their folks the greater part of them are actuated into business sexual abuse and physical intimidation. In some connection particularly in Chittagong division young men are compelled to prostitution. Ladies and kid trafficking happens from more

provincial districts to urban communities for the reasons for destitution. Globally, from Bangladesh ladies and youngsters are trafficked to Center East, India and Pakistan for utilizing business sex laborer or constrained work. Numerous whorehouse proprietors and pimps urge Bangladeshi young ladies to take steroids to make them more appealing to customers. There are 90 percent of young ladies and ladies between the ages of 15 and 35 in Bangladeshi massage parlors they are medication dependent.

Kalam et al. (2014), attempted to explore the social norms and impediments of women development in Bangladesh. The objective of the study was to investigate the contemporary procedure of the social norms and impediments of women improvement in Bangladesh. Study further tries to find out the positions of women, economic, political and social factors that bordered these measures. Total population of the study was 23565 from both male and female. Area of the study was Shibpur, Upazila in relation to two selected unions Joynagor union and Jossar union. It was found that the role of women in political activates strongly block women political empowerment in Bangladesh. The social impediments restrictions between the private and public sector women politics treated not positively. It was suggested that education can build the mass of social norms for women development and can leads the structure of women development in smooth way.

Mitra, (2003) shows that the size of the institution is negatively related to gender equality, but women who work in managerial positions earn more in large organizations than small ones; There is still a wage gap between men and women contributing significantly to men in large institutions, despite the control of workers' characteristics and human capital. In this regard, Bloom et al, 2006 concluded that anything that can be the size of the object or structure of the organization, is the only well-managed organization, namely an organization that efficient planning and

Coordination, monitoring and management ensures that work, as well as family environment for women.

Ulubasoglu et. al, (2010), attempted to investigate the Economic Freedom and Economic Development: Specification, Selection and Real Impact. The purpose of study was to investigate the economic freedom of literature on the economic development of literature. Second it was to investigate the direction of unity between economic freedom and economic development. Panel data was used with meta-analytical data technology on the available literature of economic freedom on economic development. It was found that the meta regression test was confirmed by the equality, which involves the impact of physical investment in search of a financial freedom struggle on economic development. In the event that industrialization at first consequences in the extraction of ladies from the work power, what clarifies the striking increments in ladies' work power cooperation in more created economies? As monetary improvement advances, the nature of employments accessible to ladies may alter.

Goldin (1995) in attendances prove that the ascent in female work power investment that described the Unified States in the twentieth century was because of the development of "salaried" occupations, generally in the administrative area, that were satisfactory types of livelihood for ladies. Furthermore, picks up in female instruction, together in outright periods and in respect to male training rank, made these desk employments achievable for ladies and expanded the motivators of ladies to work far from home.

Eritrea and Rena (2007) explored the women and economic liberation in observations. The objective of the learning was to discover and develop the confidence in women's and develop respect one another, while paper also explore the women in role in economy and in society. It was found that the Eritrea's freedom

fight for sovereignty, 30% women of EPLF Army were women. In recognition of donation of their donations during the war, the government has properly rescued 30% of the places in local and national women's elections. The Eritrean people will have to acknowledge that women are very stunning, honest and pleasant through this good role that have adopted the shape of a good society and opening a new era, making light, lightning is light and preventing darkness and all Iranian Gave women the right to express your opinion and to showcase your potential. The paper offers compared to women in Iran and other developing countries.

Molyneux and Razavi, 2006 demonstrate that ladies have needed to hold up under the brunt of auxiliary alterations being safeguards and guardians of final resort. As social wellbeing nets are for all intents and purposes truant in creating nations, under free economic situations poor ladies have needed to "scramble for money" by taking a shot at exploitive terms.

Roy (1992) noted in his study did by the Bangladesh Provincial Headway Advisory group (BRAC) in Jamalpur, that most ladies who are beaten experience the ill effects of beatings consistently which are sufficiently serious to .leave blemishes on the body and cause torment for a few days. Such beatings might be identified with settlement, to the apparent disappointment of a lady, especially a spouse to satisfy her family unit obligations or to be appropriately modest and faithful or they may serve as an outlet for male dissatisfaction. Various reporters have commented on beating as a discipline for neglecting to do the husband's offering.

### **3. RESEARCH METHODOLOGY**

This study is related to economic freedom of the women and its impact on the growth of the economy of Pakistan from 1974 to 2014. Times series data is collected and used. GDP (annual growth rate) is used as adependent variable and the independent variables include: adult literacy rate of female, fertility rate,

unemployment ratio of female, employment of female in the industrial sector, female employment in agriculture sector and female labor force.

**Table 1 summarizes the explanatory and explained variables in the study.**

Determinants	Description	Unit
<i>Explained variable</i>		
GDPG	Gross domestic product	Annual growth (%)
<i>Explanatory variables</i>		
ALR	Adult literacy rate of female	Annual growth (%)
FR	Fertility rate	Annual growth (%)
LFF	Labor force of female	Annual growth (%)
UERF	Unemployment ratio of female	Annual growth (%)
FEI	Female employment in industrial sector	Annual growth (%)
FEA	Female employment in agriculture sector	Annual growth (%)

**3.1 Model Specification:**

The model selection for the desired data is important for the results and explanations and further analysis. The model is engraved as under:-

$$GDPG = \beta_0 + \beta_1FR + \beta_2ALR + \beta_3LFF + \beta_5UERF + \beta_6FEI + \beta_6FEA + \varepsilon_i$$

Whereas,

$\varepsilon_1$  is the residual term,  $\beta_0$  is the intercept term and  $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6$  are the slope coefficients.

**3.2 Auto Regressive Distributed Lag Model:**

ARDL is a statistical technique that shows both short run and long run behavior of variables.

The basic model of ARDL equation is;

$$\begin{aligned} \Delta(GDPG)_t = & \gamma_0 + \sum_{i=1}^a \gamma_1(GDPG)_{t-i} + \sum_{i=0}^b \gamma_2(FR)_{t-i} + \sum_{i=0}^c \gamma_3(ALR)_{t-} \\ & i + \sum_{i=0}^d \gamma_4(LFF)_{t-i} + \sum_{i=0}^e \gamma_5(UERF)_{t-i} + \sum_{i=0}^e \gamma_6(EFI)_{t-1} + \sum_{i=0}^e \gamma_7(EFA)_{t-} \\ & i + \gamma_8(GDPG)_{t-1} + \gamma_9(FR)_{t-1} + \gamma_{10}(ALR)_{t-1} + \gamma_{11}(LFF)_{t-1} + \gamma_{12}(UERF)_{t-1} + \gamma_{13}(EFI)_{t-1} + \\ & \gamma_{14}(EFA)_{t-1} \dots \dots \dots \end{aligned} \quad (1)$$

Equation 1 is the equation of the autoregressive distributed lag model, which shows the long-term and short-term relationship between the explained and explanatory variable.  $\gamma_0$  is the interception interval, and the coefficient of the short run of the variables is  $\gamma_1, \gamma_2, \gamma_3, \gamma_4, \gamma_5, \gamma_6, \gamma_7$ , and the long-term coefficients of the variables are  $\gamma_8, \gamma_9, \gamma_{10}, \gamma_{11}, \gamma_{12}, \gamma_{13}, \gamma_{14}$ , and  $\varepsilon_{1t}$  is the residual term

**3.3 Wald test (F- statistics):**

This test is used to set up the long run association between both explained and explanatory variables.

**Null Hypothesis**

$H_0 = \gamma_8, \gamma_9, \gamma_{10}, \gamma_{11}, \gamma_{12}, \gamma_{13}, \gamma_{14} = 0$

(As no long run relationship exists)

**Alternative Hypothesis**

$H_1 = \gamma_8, \gamma_9, \gamma_{10}, \gamma_{11}, \gamma_{12}, \gamma_{13}, \gamma_{14} \neq 0$

(A long run relationship exists)

If the tabular value is less than the F-statistic, the alternative hypothesis is accepted, and the null hypothesis is rejected, whereas, if the tabulated value is greater than the value of the F-statistic, the alternative hypothesis is rejected and the null hypothesis is accepted.

**3.4 Co integration Model:**

The long-term relationship between the dependent and independent variables is shown in the following equation.



#### 4. FINDINGS AND RESULTS

##### 4.1. Augmented Dickey Fuller Test

**Table 2. Results of Augmented Dickey Fuller Test**

Variables	At level	At 1 <sup>st</sup> Difference	At 2 <sup>nd</sup> Difference				
	Intercept	Intr. & trend	Intercept	Intr. & trend	Intercept	Intr. & trend	Integration
<b>GDPG</b>	- 4.092574		-6.05954	-	-	-	I(0)
<b>ALR</b>	- 8.63989	-	-	-	-	-	I(1)
<b>FEA</b>	-	-	-	-	-7.4716	-	I(2)
<b>FEI</b>	- 4.72417	-	-	-	-	-	I(0)
<b>FR</b>	-	-	-3.398889	-	-	-	I(1)
<b>LFF</b>	-	-	- 5.57122	-	-	-	I(1)
<b>UERF</b>			-6.785335		-	-	I(1)

An additional test of extended dickey is used to test a stationary dataset, or it has a unit root, or not. In our hypothesis, the analysis of the null hypothesis is that the data set does not have a stationary value, and an alternative hypothesis is a data set. A more complete test is used to verify the applied stationary extended dick, and the results of this test are presented in the table above. In the above table, there is a trend in the trend of co-integration. Some variables are integrated at level as gross domestic

product, and female employment in industrial sector. While adult literacy rate, fertility rate, labor force ratio of female and unemployment ratio of female are co integrated at 1<sup>st</sup> difference. A single variable female employment in agriculture sector is co integrated at 2<sup>nd</sup> difference.

**4.2. Bound Test for co-integration**

**Table 3 Results of Bound testing for co-integration**

<b>Equation</b>	<b>F-Statistics Calculated</b>	<b>Lower Bound Critical Value</b>	<b>Conclusion</b>
Equation (1) GDPG /ALR,FEA,FEI,FR, LFF, UERF	2.13 [0.0118]	2.12 (90%)	Co-integration exist

The calculated value of the F-statistic is 2.13 (the value at 1% of the limit values), and the critical values for  $k = 7-1 = 6$  are given in Pesaran et al (2001). If the calculated value is greater than the critical value of the lower boundary that was selected from table 111: unrestricted interception and the absence of a trend. The numbers in brackets show the probabilities of F-statistics. A related test shows that there is co-integration between the variables.

### 4.3 Long-Run Model

**Table 4 Results of Long-run Model**

Dependent Variable: GDPG				
Method: Ordinary Least Squares				
Sample: 1974-2014				
Included observations: 41				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
<b>C</b>	14.56964	16.32738	0.892344	0.3785
<b>ALR</b>	0.792463	0.286818	-2.762946	0.0092
<b>FEA</b>	0.028758	0.033085	-0.869214	0.3908
<b>FEI</b>	0.348498	0.117804	2.958280	0.0056
<b>FR</b>	-1.913991	1.942427	-0.985360	0.3314
<b>LFF</b>	1.260627	0.428272	2.943517	0.0058
<b>UERF</b>	-0.116388	0.077096	1.509664	0.0404

Co-integration means a long-term relationship between dependent and independent variables. Analyze the relationship between the economic growth of Pakistan and the economic freedom of women in Pakistan. The autoregressive distributed reserve model was used. Initially, we choose 4 lags for further advancement to our model. The table shows the results of the relationship between the variables. In the long run, the relationship between variables is discussed, as the value of the coefficient shows a one-time increase in the literacy rate among adults, which will lead to an increase in Pakistan's gross domestic product or Pakistan's economic growth of 0.7924 units, and this is statistically significant. At the same time, one unit increased the employment of women in agriculture in the agricultural sector

of 0.02 units of the increase in Pakistan's gross domestic product, and this is statistically significant. The value of the coefficient shows that an increase in the employment of women in the industrial sector by one unit will lead to an increase in the gross domestic product of Pakistan by 0.34 units and indicates a statistically significant relationship. The coefficient value shows a one-fold increase in the fertility rate -1.91 units. The coefficient value shows a one-fold increase in the labor force in terms of women's participation in the amount of 1.26 units in Pakistan's gross domestic product and is statistically significant. The coefficient value shows a single increase in the unemployment rate among women -0.11 units in Pakistan's gross domestic product. The behavior of variables shows that there is a long-term relationship between the determinants of women's economic freedom and their impact on Pakistan's economic growth. Five variables show a positive and significant long-term relationship, while individual variables show a statistically insignificant relationship.

**4.4. SHORT-RUN MODEL**

**Table 5. Short Run Model**

Dependent Variable: D(GDPG)				
Method: Least Squares				
Sample (adjusted): 1979 2014				
Included observations: 36 after adjustments				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.323807	0.726307	1.822656	0.0826
D(GDPG(-4))	-0.093535	0.130587	-0.716263	0.4817
D(ALR)	-1.062232	0.377191	-2.816168	0.0103
D(ALR(-4))	-0.257566	0.326339	-0.789258	0.4388

<b>D(FEA)</b>	-0.008412	0.031302	-0.268741	0.7908
<b>D(FEA(-4))</b>	-0.078281	0.036088	-2.169172	0.0417
<b>D(FEI)</b>	0.209618	0.150146	1.396095	0.1773
<b>D(FEI(-4))</b>	0.375240	0.189037	1.985009	0.0604
<b>D(FR)</b>	13.66502	9.921971	1.377249	0.1829
<b>D(FR(-4))</b>	-10.86586	8.657468	-1.255085	0.2232
<b>D(LFF)</b>	0.593659	1.022753	0.580452	0.5678
<b>D(LFF(-4))</b>	-0.629745	0.700871	-0.898518	0.3791
<b>D(UERF)</b>	0.118236	0.080704	1.465064	0.1577
<b>D(UERF(-4))</b>	-0.017811	0.111780	-0.159341	0.8749
<b>ECT(-1)</b>	0.332381	0.197799	-5.724894	0.0000

Table 5 presents the short time between dependent and independent variables. In the model with an automatic regressive distributed time model of error correction used to measure the short-range association of variables. Above table shows in short run period only three variables adult literacy rate of female, female employment in industrial sector and female employment in agriculture sector have significant relationship with the dependent variables while other variables like fertility rate, labor force of female and unemployment ratio of are not statistically significant after taking the 4<sup>th</sup> lag. The ect (-1) is the speed of adjustment that is done by the taking lag. The 33.23 is adjusted value.

#### 4.5 Regression Analysis

**Table 6 Regression Analysis**

R-squared	0.709791	Mean dependent var	-0.091949
Adjusted R-squared	0.516319	S.D. dependent var	2.344277
S.E. of regression	1.630379	Akaike info criterion	4.109839
Sum squared resid	55.82083	Schwarz criterion	4.769638
Log likelihood	-58.97709	Hannan-Quinn criter.	4.340126
F-statistic	3.668692	Durbin-Watson stat	1.953933
Prob(F-statistic)	0.003655		

Table 6 represents the results of ordinary least square statistical model. The value of R-squared shows the acceptance of the model. If R- square vale is greater than .50 as it is 70.97 in our model which shows that our dependent variables gross domestic product has affected 70% through independent variables. The probability of F-statistics is below 5% (0.00365), which describes the overall goodness of our model. D- The value of the statistics is 1.95, which is about 2, so we can conclude that there is no autocorrelation in our model.

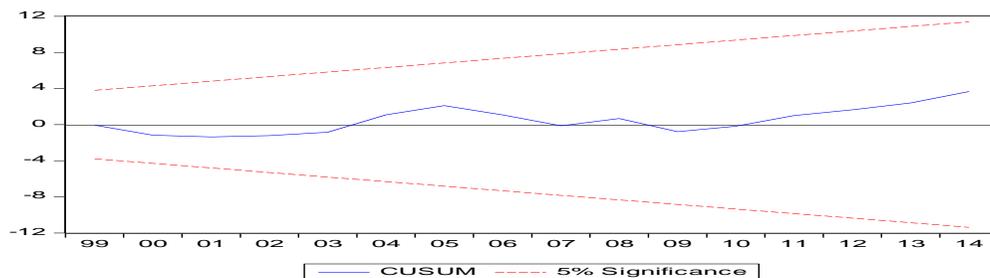
#### 4.6 Diagnostic Test

Table 7 Results of Diagnostic Test

Test Statistics	LM Version	F Version
Serial Correlation	CHSQ( 1)= .014643[.904]	F( 1, 26)=.010022[.921]
Functional Form	CHSQ( 1)= 1.1227[.289]	F( 1, 26)= .79153[.382]
Normality	CHSQ( 2)= .19879[.905]	Not applicable
Heteroscedasticity	CHSQ( 1)= 3.1105[.078]	F( 1, 36)= 3.2095[.082]

#### 4.7 Stability Test:

Cumulative sum control charts stability test in ARDL model is used to check the stability of the dataset. The selected variables and the data set are stable, since the total sum of the recursive residue graphs is within the 5% significance range, and the sum of the square of the recursive residual graph is also within the 5% value.



## **5. CONCLUSIONS**

The role of women is increasing with every passing day in all fields of life especially in professional sectors. In Pakistan females are in larger number so their role cannot be decreased or ignored. Women are competing in every field of life. Pakistan is an agriculture country and the female role in agriculture sector of Pakistan is very important. Female are playing their productive role in both agriculture sector and also in industrial sector. The literacy rate of females in Pakistan is very below, number of female schools in all over the country are not according to the need of the country. Majority of women's live in villages and share of women's works in agriculture sector are very high.

The literacy rate of female education in Pakistan is not according to the requirement of United Nations. The numbers of female schools are very limited in all over the country. Punjab is the leading province in all the sectors of the economy but in education of female the situation is very severe and in other province the structure of female education is just like to away to meet the requirement of the international standards. Initiatives are taking to better the education of female but the sincerity of governments of all provinces shows their performance, which is very low. In our country women's are not allowed to do work in any sector, restrictions are still exists that a women is not allowed to do work. All these restrictive checks are due to the low level of education of our society. To remove all these restrictions, the first step is to start to educate you society, every single person of the society.

Due to globalization impact business activities are highly modernized and the world is running on finger prints. Business activities are increased and the production techniques are modernized due to the use of technology. The national and per capita income of the people are also increased, people living standard is also upgraded. Each individual either it is men or women are participating in economic activities. In

developed countries there are no differences between the genders but in developing gender gap exists and women are not participated in economic activities as the in developed countries. One reason for under developed is gender gaps still exists in developing countries. To increases the level of income and living standard each individual of the country should participate in the economic activities.

The objective of the study was to analyze the impact of the determinants of economic freedom of women on the economic growth of Pakistan. Selection of the determinants was difficult due the non-existence of data of different determinants on the available source. Adult literacy rate of female, female employment in agriculture sector, female employment in industrial sector, labor force participation rate of female and unemployment rate of female variables shows the statistical significant behavior, while the variables fertility rate is the statistical insignificant. The behavior of variables shows that there exists the long run relationships between the determinants of economic freedom of women and it impact on the economic growth of Pakistan. Behavior of variables in short period is different from long run period. In short run period only three variables adult literacy rate of female, female employment in industrial sector and female employment in agriculture sector have significant relationship with the dependent variables while other variables like fertility rate, labor force of female and unemployment ratio of are not statistically significant. The results of our study are not different from other studies. Other studies show the existence of long run relationship between the economic freedom of women and economic development. Results of the present study supported the results of other studies.

## **6. POLICY RECOMMENDATIONS**

- Government of Pakistan should take measure to enhance the literacy rate of female in Pakistan and special steps should be taken for rural areas education of female.

- Pakistan is agriculture country and majority of women belongs to agriculture sector. Women efforts in agriculture sector are not counted in the national income of Pakistan. Government should take steps to provide a safe working environment to women in industrial and agricultural sector.
- Government introduces the policy and working structure of women in every sector because female proportion of population is higher than male. Measures should be taken to reduce the unemployment rate of women.
- Necessary amendments for the working environment for women should be making in National and all provincial assemblies.
- Women center (as Multan women center) should be open at each district to control and reduce the working women issues at their work places and households women issues.

## **REFERENCES**

- Acharya, Sarthi. 1996. "Women in the Indian Labour Force: A Temporal and Spatial Analysis," in Susan Horton, ed. *Women and Industrialization in Asia*. New York: *Routledge*.
- Altonji, Joseph and Rebecca Blank. 1999. "Race and Gender in the Labor Market," in O. Ashelfelter and D. Card, eds. *Handbook of Labor Economics*, Volume 3. Amsterdam: *Elsevier Sciences*.
- Anker, Richard. 1983. "Female Labour Force Participation in Developing Countries: A Critique of Current Definitions and Data Collection Methods." *International labour Review* 22:6, pp. 709-23.
- Awan, Abdul Ghafoor (2012). "Human Capital: Driving Force of Economic Growth in selected Emerging Economies", *Global Disclosure of Economic and Business*, Vol.1(1):09-30.
- Awan, Abdul Ghafoor (2011) "Changing World Economic and Financial Scenario"

*Asian Accounting and Auditing Advancement*, Vol.1 (1)

:146-175.

Awan, Abdul Ghafoor (2016). "Wave of Anti-Globalization and Capitalism and its impact on World Economy". *Global Journal of Management and Social Sciences*, Vol.2 (4) :1-21

Awan, Abdul Ghafoor (2015). Analysis of the impact of 2008 Financial crisis on the economics, political and health system and societies of advanced countries" *Global Journal of Management and Social Sciences*, Vol 1(1):1-16

Awan, Abdul Ghafoor (2012). "Emerging versus Aging Economies: A Comparative study of Advanced and Emerging Economies" *International Journal of Management Research and Emerging Sciences*, Vol 2 (1): 45-65

Awan, Abdul Ghafoor (2015) Comparative analysis of the Literature of Economic Growth in the perspective of Advanced and Emerging Economies", *Science International*, Lahore, Vol.27 (3):3579-3587

Blau, Francine, Marianne Ferber, and Anne Winkler (2006). "The Economics of Women, Men and Work".Fifth Edition.*Pearson-Prentice Hall*.

Behrman, Jere and Mark Rosenzweig. 1994. "Caveat Emptor: Cross-country Data on Education and the Labor Force." *Journal of Development Economics*. 41:1, pp. 147-72.

Berggren, Niclas. (2003). "The Benefits of Economic Freedom." *Independent Review* 8(2): 193-211.

Burkhart, Ross E. 2002. "The Capitalist Political Economy and Human Rights: CrossNational Evidence." *The Social Science Journal* 39.2: 155-170.

- Brunnschweiler, Christa N. 2010. "Finance for Renewable Energy: An Empirical Analysis of Developing and Transition Economies." *Environment and Development Economics* 15(3): 241-274.
- Cravey, Altha. 1998. *Women and Work in Mexico's Maquiladoras*. Lanham, Md.: Rowman & Littlefield Publishers.
- Deaton, Angus. 1997. *The Analysis of Household Surveys: A Microeconomic Approach to Development Policy*. Washington, D.C.: Johns Hopkins University Press.
- Dawson, John (1998). Institutions, Investment and Growth: New Cross-Country and Panel Data Evidence. *Economic Inquiry* 36, 4: 603–19.
- De Haan, Jakob, Susanna Lundstrom, and Jan-Egbert Sturm. 2006. Market Oriented Institutions and Policies and Economic Growth: A Critical Survey. *Journal of Economic Surveys* 20(2): 157-91.
- De Soysa, Indra, and Hanne Fjelde. 2010. "Is the Hidden Hand an Iron Fist? Capitalism and Civil Peace, 1970-2005." *Journal of Peace Research* 47(3): 287-298.
- Esposito, Alfredo, and Peter Zaleski (1999).:Economic Freedom and the Quality of Life". *Constitutional Political Economy* 10: 185–97.
- Foster, Andrew and Mark Rosenzweig. 1995. "Information, Learning, and Wage Rates in Low- Income Areas," in T. Paul Schultz, ed. *Investment in Women's Human Capital*. Chicago: University of Chicago Press.
- Foster, Andrew and Mark Rosenzweig. 1996. "Comparative Advantage, Information, and the Allocation of Workers to Tasks: Evidence from an Agricultural Labour Market." *Review of Economic Studies*. 63:3, pp. 347-74.

- Faria, Hugo J., and Hugo M. Montesinos. 2009. "Does Economic Freedom Cause Prosperity? An IV Approach." *Public Choice* 141(1-2): 103-127.
- Gartzke, Erik (2007). The Capitalist Peace. *American Political Journal of Science* 51, 1: 166–91. Gibson-Graham, J.K. (1996). *The End of Capitalism (As We Knew It): A Feminist Critique of Political Economy*. Blackwell.
- Gwartney, James, Joshua Hall, and Robert Lawson (2010). *Economic Freedom of the World: 2010 Report*. Fraser Institute.
- Gwartney, James, Randall Holcombe, and Robert Lawson (1999). *Economic Freedom and the Environment for Growth*. *Journal of Institutional and Theoretical Economics* 155, 4: 1–21.
- Gwartney, James, Robert Lawson, and Randall Holcombe (2006) "Institutions and the Impact of Investment on Growth." *Kyklos* 59, 2: 255–76.
- Hall, Joshua, Russell Sobel, and George Crowley (2010) "Institutions, Capital and Growth." *Economic Southern Journal* 77, 2: 385–405.
- Hall, Joshua and Robert Lawson. 2014. "Economic Freedom of the Word: An Accounting of the Literature." *Contemporary Economic Policy* 32(1): 1-19.
- King, Elizabeth and M. Anne Hill. 1993. *Women's Education in Developing Countries: Barriers, Benefits, and Policies*. Baltimore: John Hopkins University Press.
- Lamla, Michael J. 2009. "Long-Run Determinants of Pollution: A Robustness Analysis." *Ecological Economics* 69(1): 135-144.
- Larroulet, Cristian, and J. Couyoumdjian. 2009. "Entrepreneurship and Growth." *Independent Review* 14(1): 81-100.
- Lawson, Robert and Art Carden. 2010. *Human Rights and Economic Liberalization*. *Business and Politics* 12(2): Article 2.

Lawson, Robert and J.R. Clark. 2010. "Examining the Hayek-Friedman Hypothesis on Economic and Political Freedom." *Journal of Economic Behavior and Organization* 74: 230-39.

Levy, David and Sandra Peart. 2011. "Soviet Growth and American Textbooks: An Endogenous Past. *Journal of Economic Behavior and Organization* 78(1/2): 110125.

Lothian, James R. "Institutions, Capital Flows and Financial Integration." *Journal of International Money and Finance* 25(3): 358-369.

Kung, Lydia. 1983. *Factoi) Women, in Taiwan*. Ann Arbor, Mich.: UMI Research Press.

Murthi, Mamta, Anne-Catherine Guio and Jean Dreze. 1995. "Mortality, Fertility, and Gender Bias in India: A District-Level Analysis." *Population and Development Review*. 21.

Norton, Seth (1998). Poverty, Property Rights and Human Well-being: A Cross-national Study. *Cato Journal* 18, 2: 233–45.

Norton, Seth (2003). Economic Institutions and Human Well-Being: A Cross-National Analysis. *Eastern Economic Journal* 29, 1: 23–40.

Palaez, Rolando (2009). Economic Freedom: A Comparative Study. *Journal of Economics and Finance* 33, 3: 246–58.

Parish, William and Robert Willis. 1993. "Daughters, Education, and Family Budgets: Tai- wan Experiences." *Journal of Human Resources*. 28:4, pp. 863-98.

Posner, Richard (2009). *A Failure of Capitalism: The Crisis of '08 and the Descent into Depression*. Harvard University Press.

Sculy, G.W. (2002). Economic Freedom, Government Policy and the Trade-Off between Equity and Economic Growth. *Public Choice* 113, 1-2: 7–96.

Stiglitz, Joseph (2002). Employment, Social Justice and Societal Wellbeing. *International Labor Review* 141: 9–29.

Stroup, Michael D. (2007). Economic Freedom, Democracy and the Quality of Life: An Empirical Analysis. *World Development* 35, 1: 52–66.

United Nations Development Program [UNDP] (2010). Human Development Report: 2010. Oxford University Press.

Veenhoven, Ruut.1999. “Quality-of-life in Individualistic Society.” *Social Indicators Research* 48(2): 159-188.

World Bank (2000). Removing Social Barriers and Building Social Institutions. In *World Development Report, 2000/2001: Attacking Poverty* (World Bank, 2000): 177–31.

---

### **Authors' contribution/Conflict of interest**

---

This research work was carried out in collaboration between two authors. Author AGA designed the study, performed the statistical analysis, wrote the protocol and edited final draft of the manuscript. Author AA collected data, analyses of the study, conducted literature review, and prepared first draft. Both authors read and approved the final manuscript. They stated no conflict of interest with any institution and person.

---