

# National Policies for Women Empowerment: The Impact of Policy on Women Unemployment Rate in Saudi Arabia 2010-2019

Shabbab Alotaibi<sup>1</sup>

<sup>1</sup> Public Administration, College of Business Administration, King Saud University, Saudi Arabia

Correspondence: Shabbab Alotaibi, Public Administration, College of Business Administration, King Saud University, Saudi Arabia.

Received: December 31, 2020

Accepted: March 22, 2021

Online Published: March 29, 2021

doi:10.5539/ibr.v14n4p81

URL: <https://doi.org/10.5539/ibr.v14n4p81>

## Abstract

This paper aims to explore the impact of national policies that are directed toward women empowerment in Saudi Arabia. The study focuses primarily on the impact that these policies had on women unemployment rate from the period of 2010 to 2019. During this period, the Saudi government issued multiple laws and policies to ensure a positive impact on women participation in labor market. This study assesses the short-term impact of each policy to understand the effect of policy on women's participation in labor force. The results of this study show that there was a slight increase in women's participation in labor market. However, we recommend that further studies should be conducted to study the long-term impact on women's unemployment rate.

**Keywords:** public policy, women unemployment, gender gap, women empowerment

## 1. Introduction

For a long time, the Saudi women had experienced social discrimination and disparity, which caused a sexual orientation hole in the labor force (Doumato, 2010). Luckily, the public authority of Saudi Arabia had intervened to expand women strengthening and nullify any arrangement that may frustrate women support in the labor force (Abalkhail, 2017). Approaches has changed in the course of recent years in favor of women, which empowered them to enter more fields of work, upgrade their instructive level, and become more financially free (Varshney, 2019). Saudi Arabia is a country that is known for its accepted practice of guardianship, where guys (fathers, siblings, spouses and children) have an unequivocal job on the females work choices (Eldemerdash, 2014). Thusly, the quantity of Saudi women who partook in labor force was fundamentally lower in contrast with different nations. Regardless, countless youthful wedded Saudi men have communicated their help for Saudi women' investment in the workforce (Bursztyn and Yanagizawa-Drott, 2018). This guardianship strategy had been struck down in February 2018 (Ministry of Trade and Investment, 2018). For a long time, international organizations have consistently been handling the issue of disparity between sexual orientations in Saudi Arabia, imagining that Islam is answerable for making that status. Notwithstanding, the issues of women in Saudi Arabia is more convoluted than that (Alotaibi, 2017; Alsaleh, 2014). Truth be told, Saudi women have their parts inside and outside their family units. These jobs are characterized inside social and social setting, which are not quite the same as the global principles

Likewise, modernization of Saudi Arabia has set out more open doors for women in numerous parts of life (Alsaleh, 2014). There were numerous unfamiliar inter references with the Saudi neighborhood matters, for example, the time of Hillary Clinton's visit at the US State Department (2009-2013) that manages the idea of the "Hillary Effect" as a deciding variable in US strategy to manage Muslim women in the Middle East and North Africa. Her contention is about US utilizing scholarly trades and college projects to assemble new ages of Muslim women as wellsprings of "progress" and "democratization" in the locale. (Ranani & Kharazmi, 2017).

## 2. Literature Review

In the study of Najia Saqib (2016), she analyzed the long-term relationship between women empowerment and economic growth in Saudi Arabia by using time series data for the period 1999- 2014. The results reveals the existence of a significant positive long-term relationship between women empowerment and economic growth. Thus, the findings support the core idea that women empowerment stimulates long-term economic growth in the country where economic growth is measured by female employment findings show that Saudi women are

integral in the majority of women-owned businesses. Saudi businesswomen are highly educated and receive support from family and friends (Welsh, Memili, Kaciak & Sadoon. 2014).

Other researchers such as Wassim, (2017) aimed to explore the state of the art of women's economic empowerment as a challenging research inquiry that needs a realistic investigation and explores the different mechanisms of entrepreneurship development for Women. It presents the evidence of how Saudi women are economically empowered and how their potentials are unleashed sparked through entrepreneurship training and education programs; the incubation of their entrepreneurial and creative businesses, the building of their business networking, the deployment of Information and Communication Technology (ICT) and social media for their potentials and competencies, and the corporate social responsibility, funding and community programs.

Referring to an article under the title "Economic reforms and women's empowerment in Saudi Arabia", (Topal, 2019) mentions that Saudi Arabia has headlined the "Modern Economy" campaign and is implementing the necessary structural reforms to achieve the country's "Vision 2030." At the same time, the recent "Professional Women's Reform" has been praised in international media. Her study questions these parallel processes and explores the implications of Saudi Arabia's Vision 2030 for Women's Empowerment. A survey of this process has been particularly important in Saudi Arabia for a long time because gender rules based on male dominance and state-recognized discrimination depriving women of their fundamental human rights. The study suggests that women's empowerment was used as a code word to enhance the Saudi economy's competitiveness in order to promote foreign economic integration. In this sense, Saudi Arabia is a question of how business-friendly "women's empowerment" can contribute to the release of women.

### 3. Methodology

The research measures the short-term impact of the policies that are directed to empower women in Saudi Arabia. An assessment will be based on the adoption of well-known indicators approved by the International Labor Organization (ILO) and the official entities in Saudi Arabia, such as the Ministry of Labor and the General Authority for Statistics. The research aims to measure the short-term impact of these policies on female labor market participation.-

### 4. Results and Discussion

Table 1. labor force participation rate in KSA

Years	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
MALE	61.3%	62.0%	63.3%	64.6%	64.9%	64.1%	63.7%	63.4%	63.0%	63.3%
FE-MALE	15.1%	15.7%	16.1%	16.3%	16.8%	17.3%	18.0%	19.4%	20.2%	20.5%
Gender gap	46.20%	46.30%	47.20%	48.30%	48.10%	46.80%	45.70%	44.00%	42.80%	42.80%

Source: world Bank database

Table 1 reveals that female labor force participation rate was around 15.1% in 2010, and then gradually it started to increase reaching 16.8% in 2014. A major shift occurred in the female labor force participation rate in 2016 when it reached 18%, and this transformation continued when it reached 20.5% in 2019. The slight increase that happened in women's participation in labor market is due to granting women the right to drive in 2018, in the same year, and according to the statistics of Saudi Traffic Department there were 125,000 Saudi women who applied to extract driving licenses. Furthermore, the Saudi government issued a policy that allows women to travel without male consent, which enabled women to gain flexibility in terms of transport to gain a wider range of choices regarding job vacancies.

Table 1 indicates gender gap on the rate of economic participation, where the gender gap was calculated as the difference between the economic participation rate for men and women. This gap reached its highest peak in 2013 at 48.3%, but it started to decrease in favor of women reaching 46.8% in 2015, and then it reached 42.8% in 2019.

We can also see that table 1 indicates an increase in women's labor force participation in the first five years (2010 – 2014) with slight increase of 2%. While in the later five years (2015-2019), the percentage of increase was 5% due to the new leadership of Saudi Arabia and its ambitious plans to achieve the anticipated women's participation of 30% according to Saudi 2030 Vision.

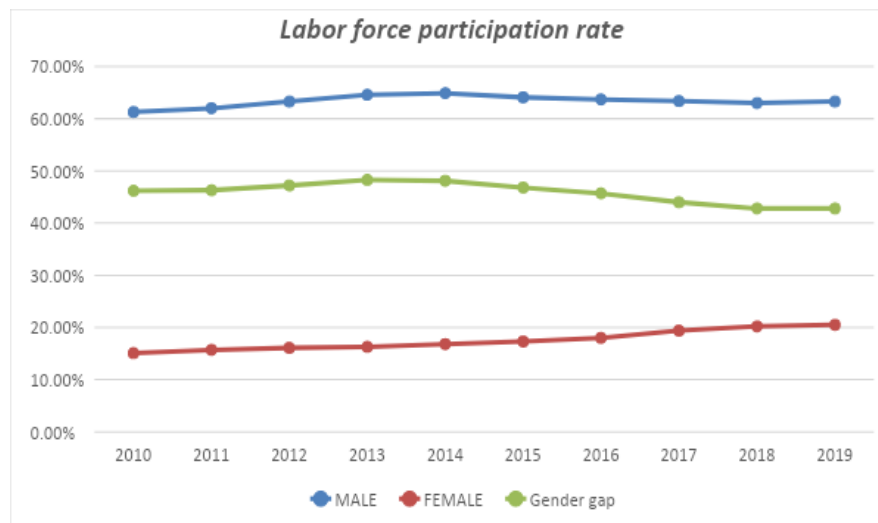


Figure 1. Labor force participation rate

Source: researcher depending on world bank database

Perhaps the most popular pointers of the work market is the workforce investment rate. The International Labor Organization (ILO) has characterized the workforce investment rate as the complete number of utilized and jobless individuals who are looking for occupations as a level of the working period of populace. This marker can be determined for people independently, and since women address half of the populace, and make up portion of those joined up with schools and colleges, the support of women in the work market ought to be equivalent to that of men. Sources??

Researching female work power investment in Saudi Arabia when religion and characteristic assets significantly affects social and monetary guidelines. Giving a proof that the expanded cooperation of female work power is connected with the significant expense of living. (Samargandi, Mamun, Sohag and Alandejani, 2019).

Saudis female joblessness is especially high at 31.7%, in contrast with 6.6% among men. With social changes, Saudi women started driving legitimately in June 2018 and have been appreciating a more prominent admittance to work. Today more than 30% of the Saudi private area laborers (over half million) are of females. In any case, a greater number of women trying to join labor force instead of remaining at home can likewise raise the quantity of females who are considered jobless if open positions made can't make up for lost time.

Accepted practices are a viewed as key requirement in females investment in the Saudi work market. For instance, women are relied upon to work in spaces isolated from men. Men likewise have their assertion whether women can have a paid work and how long they can function: the current standard – however not the law – infers that basically all women require to get endorsement from their male watchman, normally their spouses or fathers.

Ongoing changes in the Saudi law may have established an additionally tolerating climate for women in working environment. For instance, the restriction on women's entitlement to drive was lifted in 2018. Besides, in 2018 the public authority passed a law permitting women to work without the consent of their gatekeepers, and in 2019 the public authority likewise gave another law to permit women to go without the authorization of their watchmen.

In the G20 meeting of 2019, Saudi Arabia has taken an interest in the Women Empowerment Initiative that targets lessening the wages hole among guys and females, just as supporting women's investment in private company (A survey of Saudi Arabia's 2020 G20 Presidency).

At last Women in Saudi Arabia will be permitted to hold international IDs and travel abroad without the assent of a male watchman, it is an arrangement move that denotes a huge extricating of the Kingdom's limitations on women.

Saudi Arabia saw a wide scope of financial and social changes throughout the most recent four years particularly on women's privileges. The specialist presumes that all of public approaches referenced in this examination contact women's privileges, and lead to engage them in labor market.

As outlined over the women work market cooperation rate increased from 17% in 2015 to about 21% in 2019.

The sexual orientation hole has arrived at 46.8% in 2015, and afterward it has tumbled down to 42.8% in 2019 because of public arrangements changes. The objective is to expand women' support in the work market from 20% to 30% by 2030 as indicated by the Saudi vision (2030).

At long last, the public authority should think to make the fitting conditions in which all individuals ,counting women and youth can live, work and flourish. Government ought to likewise keep on advancing sex uniformity through instituted fitting work market enactment, and the organization ought to hope to make the conditions wherein all people in every practical sense, women and youth can live, work and prosper. Government should continue propelling sexual orientation consistency through founded fitting work exhibit authorization.

Be that as it may, in June 2018 the circumstance for Saudi women has changed, in light of the fact that the public authority conceded them the correct drive engine vehicles. As per the insights of Saudi Traffic Department there are 125,000 Saudi women who applied to remove a driving permit when the law of permitting women to drive was delivered. ( Traffic Department in Saudi Arabia, 2018). (Williams, Al-Awwad and Alfayez, 2019).

Saudi Arabia actualized numerous changes to accomplish the country's "Vision 2030". Such changes incorporate women strengthening to build the seriously of the Saudi economy. (Topal, 2019). Saudi women addresses an abundance of undiscovered potential for the Saudi economy. Large numbers of them presently can't seem to join the workforce notwithstanding being exceptionally taught and inspired. There are 13 .5 million women in the country, 9.1 million of them are of working age (Saudi General Authority of Statistics, 2019).

Women have accomplished incredible achievements in training, where the pace of proficiency arrived at a level of 96%, realizing that the extent of women selected schooling surpasses the extent of men, yet with regards to the degree of workforce compensation disparity for comparative work, it shows that women are more awful off by at any rate a level of 40%. (Worldwide Gender Report, 2017).

Joblessness "alludes to the portion of the workforce that is without work yet accessible for and looking for business" (International Labor Organization, 2018). The idea of sex disparity arose during the 1980s, and numerous global gatherings were held during the 1990s to examine sexual orientation imbalance in agricultural nations. In June 2000, agents from 180 nations met in the United Nations to endorse the focal part of sexual orientation uniformity and feasible advancement in advancing women' wellbeing around the world. Sex imbalance alludes to the inconsistent evaluation of the job of women and men. Subsequently, sex correspondence in law and governmental issues can be portrayed as balance among women and men, and equivalent admittance to assets and administrations in the family and society. Battling for equity implies that the perspectives, desires and needs of women and men should be perceived, valued, and similarly maintained. This doesn't imply that women and men ought to be equivalent, yet their privileges, obligations and openings don't rely upon whether they are men or women. (Alsaleh. 2014).

A few investigations have examined joblessness all in all and women' joblessness specifically. For instance, Alotaibi (2017) contemplated the connection among joblessness and monetary development in Saudi Arabia from 2000 till 2015, to clarify business and joblessness levels and their determinants to expand work level and dodge destructive financial impacts coming about because of the issues which may eject from joblessness.

The outcomes acquired from the examination uncover that there is a positive connection among work and genuine pay, venture, government use and the genuine estimation of fares. Saudi residents like to work in the public authority area instead of in the private area; government should invigorate Saudis to work in private area. The gained results show that there is a positive association among work and the genuine pay, adventure, and government utilization.

Women joblessness is viewed as a significant issue that influences the existences of numerous women and limits them from their possibilities. Networks that continually look to implement their political, monetary, demographical, and social objectives should mull over their people needs and not to reject them from their social job. The Saudi Development Women Index measure the investment of Saudi women in public turn of events. This list incorporates 54 markers to catch the unpredictability of public advancement as indicated by the determined parts that incorporate sex hole among people in Saudi Arabia (Saudi Development Women Index, 2018).

Lessening the sex hole in joblessness is a vital objective for Saudi Arabia's initiative to accomplish 2030 Vision. Hence, the public authority needs to look for techniques on the best way to diminish sex hole regarding joblessness. In any case, joblessness rate is still somewhat high among females. The Saudi Vision 2030 expects to raise the cooperation of women into the workforce to arrive at 30%. (VISION, 2030).

The Global Gender Report (2017) demonstrates that sex fairness in Saudi Arabia is practically non-existent.

Saudi Arabia positions 138 out of 144 nations regarding sexual orientation imbalance in financial and political empowerment.(The World Economic Forum, 2017)

The proposals that arose from The Organization for Economic Co-activity and Development (OECD),urge nations to advance sexual orientation correspondence in schooling, work and public life by creating enactments and strategies (OECD, 2017). The Kingdom of Saudi Arabia has as of late began finding a way to address sex value in workforce, governmental issues, and public life. For example, women' cooperation in the Saudi Council, women option to cast a ballot in metropolitan decisions, and a few fields of work that were overwhelmed by men, for example, police. Therefore, the government uphold and elevate sexual orientation value to build up its economy to enhance more plans to diminish sex hole in Saudi Arabia.

As of late, Saudi Arabia has settled on a few choices as a component of an extensive financial change program pointed toward lessening the country's reliance on oil, which will fundamentally improve women' admittance to the work market. (VISION, 2030). This remember wiping out any motions for work law that recently limited women from work in specific territories that would accommodate their body and presently don't need parental or gatekeeper authorization to work. Nonetheless, in 2018, the Saudi Ministry of Trade and Investment (Feb,2018) has declared that women are permitted to go into business, without the requirement for confirmation of their watchman assent. (MTI. 2018). In 2019, Saudi specialists declared new changes to the guidelines, which presently permit women more than 21 years old to travel unreservedly a

## 5. Conclusion

The study concludes that the Saudi government has gained critical ground in the condition of sexual orientation equity in training, wellbeing and progress in business. Plainly, the course of VISION 2030 mirrors the endeavors made to advance the strengthening of women and empower them to partake in monetary, wellbeing and social development.

Therefore, it is prescribed to direct further examinations to consider the drawn out effect on women' joblessness rate. This paper expects to investigate the effect of public approaches that are coordinated toward women strengthening in Saudi Arabia. The investigation centers principally around the effect that these arrangements had on women joblessness rate from the time of 2010 to 2019. During this period, the Saudi government provided numerous laws and arrangements to guarantee a positive effect on women investment in labor market. This examination evaluates the transient effect of every strategy to comprehend the impact of strategy on women' interest in workforce. The consequences of this investigation show that there was a slight expansion in women' support in labor market. However, we recommend that further examinations ought to be directed to consider the long-term impact on women' joblessness rate. Women in Saudi Arabia have been generally subject to male watchmen, they have recruited drivers, or utilized public transportation intends to prepare around since they

## References

- Abalkhail, J. M. (2017). Women and leadership: Challenges and opportunities in Saudi higher education. *Career Development International*, 22, 165-183. <https://doi.org/10.1108/CDI-03-2016-0029>
- Al-Aali, E., Al-Shammari, M., & Masri, H. (2018). *Arab women and their evolving roles in the global business landscape*. Hershey, PA, USA: IGI Global, Business Science Reference. <https://doi.org/10.4018/978-1-5225-3710-6>
- Alotaibi, A. M. (2017). Unemployment and Economic Growth in Saudi Arabia 2000-2015. *International Journal of Economics and Finance*, 9(9), 83. <https://doi.org/10.5539/ijef.v9n9p83>
- Alsaleh, S. A. (2012). Gender Inequality in Saudi Arabia: Myth and Reality. *International Proceedings of Economics Development & Research*, 39, 12.
- Bursztyn, L., González, A., & Yanagizawa-Drott, D. (2018). *Misperceived Social Norms: Female Labor Force Participation in Saudi Arabia*. <https://doi.org/10.3386/w24736>
- Doumato, E. A. (2010). *Saudi Arabia in Women's Rights in the Middle East and North Africa: Progress amid Resistance*. Edited by S. Kelly and J. Breslin. New York, NY: Freedom.
- Eldemerdash, N. (2014). *Securitizing Unemployment and Migration in Saudi Arabia*. Conflict Studies and Global Governance: The New Generation of Ideas. University of Massachusetts Boston.
- Gender Inequality in Saudi Arabia: Myth and Reality*. (n.d.). Retrieved from <http://ipedr.com/vol39/025-ICITE2012-K00003.pdf>

- Mottaleb, K. A., Rahut, D. B., & Erenstein, O. (2019). Do market shocks generate gender-differentiated impacts? Policy implications from a quasi-natural experiment in Bangladesh. *Womens Studies International Forum*, 76, 102272. <https://doi.org/10.1016/j.wsif.2019.102272>
- Mulligan, C. (2019). *How to Empower Saudi Women in the Labor Force*, King Abdullah Petroleum Studies and Research Center.
- Najia, S., Priyanka, A., & Saima, R. (2016). Women Empowerment and Economic Growth: Empirical Evidence from Saudi Arabia. *Advances in Management and Applied Economics*, SCIENPRESS Ltd, vol. 6(5), 1-5.
- Ranani, S. R. A., & Kharazmi, Z. N. (2017). The significance of Muslim women in American foreign policy case study: Hillary Clintons prophecy for women of science in MENA. *Womens Studies International Forum*, 61, 20-27. <https://doi.org/10.1016/j.wsif.2016.12.006>
- Report of Global Gender World Economic Forum. (2017)
- Report of Saudi Arabia's 2020 G20 Presidency. (2019)
- Report of Saudi Ministry of labor Market. (2016)
- Report on the implementation of the Oecd Gender recommendations, Meeting of the OECD Council at Ministerial Level Paris. (2017) (pp. 7-8)
- Samargandi, N., Mamun, M. A., Sohag, K., & Alandejani, M. (2019). Women at work in Saudi Arabia: Impact of ICT diffusion and financial development. *Technology in Society*, 59, 101187. <https://doi.org/10.1016/j.techsoc.2019.101187>
- Saudi Arabia Ministry of Economic Planning*. The Ninth Development Plan (2010-2014). Ministry of Economic Planning, Riyadh. 2010, Chap. 19
- The Saudi Women Participation in Development Index ... (n.d.)*. Retrieved from [https://www.researchgate.net/publication/337346034\\_The\\_Saudi\\_Women\\_Participation\\_in\\_Development\\_Index](https://www.researchgate.net/publication/337346034_The_Saudi_Women_Participation_in_Development_Index)
- The Saudi Women Participation in Development Index ... (n.d.)*. Retrieved from [https://www.researchgate.net/publication/337346034\\_The\\_Saudi\\_Women\\_Participation\\_in\\_Development\\_Index](https://www.researchgate.net/publication/337346034_The_Saudi_Women_Participation_in_Development_Index)
- The Strides of the Saudi Female Workforce: Overcoming Constraints and Contradictions in Transition. (n.d.).
- Topal, A. (2019). Economic reforms and womens empowerment in Saudi Arabia. *Womens Studies International Forum*, 76, 102253. <https://doi.org/10.1016/j.wsif.2019.102253>
- Varshney, D. (2019). The Strides of the Saudi Female Workforce: Overcoming Constraints and Contradictions in Transition. *Journal of International Women's Studies*, 20(2).
- Wassim J. A. (2017). Enhancing Women's Economic Empowerment Through Entrepreneurship in Saudi Arabia. *Arab women and their evolving roles in the global business landscape*. Hershey, PA, USA: IGI Global, Business Science Reference. Chapter: 6, pp.120-151. <https://doi.org/10.4018/978-1-5225-3710-6.ch006>
- Welsh, D. H., Memili, E., Kaciak, E., & Sadoon, A. A. (2014). Saudi women entrepreneurs: A growing economic segment. *Journal of Business Research*, 67(5), 758-762. <https://doi.org/10.1016/j.jbusres.2013.11.040>
- Williams, S., Qiu, W., Al-Awwad, Z., & Alfayez, A. (2019). Commuting for women in Saudi Arabia: Metro to driving - Options to support women employment. *Journal of Transport Geography*, 77, 126-138. <https://doi.org/10.1016/j.jtrangeo.2019.05.002>

## Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>).