



Forum: Commission on the Status of Women (CSW)
Question of: The Effects of Economic Sanctions on Women's Employment in Iran
Student Officer: Minjoo K. , Deputy Assistant President (DAP)

Introduction

The past few decades have seen substantial changes in international diplomacy, especially pertaining to conflict resolution. In the atomic age, international efforts have focused on enforcing global norms without resorting to military conflict- economic sanctions have become central to this new form of diplomacy. In particular, sanctions have been widely used against the Islamic Republic of Iran since the 1979 Revolution to tackle nuclear development and regional activity. While designed to pressure the regime, the sanctions have led to grave socioeconomic effects that have caused detriment to the Iranian people. Notably, the sanctions have disproportionately impacted women's labor opportunities in a country with already concerning levels of gender disparity. As gender inequality prevails in Iran, sanctions have only further restricted women's access to jobs and economic independence.

In fact, Iran already ranks near the bottom globally in gender equality, with women's labor participation at roughly 13.4% in 2024, compared to nearly 66.3% for men. Sanctions have widened the gap by barring women from jobs. After the reimposition of US sanctions in 2018, female unemployment rose to nearly 20%. Thus, over 60% of employed women were pushed into the informal economy, where work is unregulated and precarious. Women belonging to female-headed households or impoverished groups were marginalized, further deepening existing inequalities.

In 1979, sanctions in Iran began under the US Carter administration. Issued in response to the hostage crisis, Executive Order 12170 froze about \$12 billion in Iranian government assets. The order resulted in a severe financial crisis, hampering access to critical reserves and collapsing Iran's economy during a political turmoil. In the 1980s and 1990s, sanctions were largely unilateral and inconsistent, reflecting Washington's shifting priorities from a coherent strategy. This inconsistent policy line changed in the mid-2000s as a response to the threat of Iran's nuclear capabilities. In July 2006, the UN Security Council adopted Resolution 1696, demanding that Iran suspend its uranium enrichment; the resolution did not impose sanctions. Such escalations came swiftly with UNSCR 1737 in December of the same year. Resolution 1737 introduced the UN's first nuclear-related sanctions, with the 1737 Sanctions Committee established to oversee compliance. This marked a turning point in the use of sanctions: they were no



longer a weightless threat but a shared weapon of international policy. The following decades saw further escalation, imposing additional restrictions such as limiting petroleum exports, cutting off Iran's banking access, and confining trade. The mounting pressures took a measurable toll. In 2015, the Joint Comprehensive Plan of Action (JCPOA) was signed and endorsed by UNSCR 2231. The JCPOA provided sanction relief, and saw improvements in female job prospects and social infrastructure investment. However, the relief did not last. The US withdrawal from the deal in May of 2018 saw the reimposition of sanctions, reversing improvements and crafting a fresh crisis for working women. Within a year, inflation exceeded 40%, the Iranian rial lost nearly 70% of its value, and female unemployment rose to almost 20%, nearly double the male rate. While Iran has undertaken a variety of policy efforts—microfinance initiatives and limited labor protection, isolated and piecemeal—global interest has most commonly focused on nuclear compliance and dismissed the humanitarian and gender aspects of the sanctions regime. Multilateral institutions have rarely placed women's rights at the heart of sanctions policy or post-sanctions reconstruction strategy. This issue ties in closely with the topic of SEOMUN XXVIII, "Voices of Tomorrow." Iranian women are not just victims of geopolitics abroad. They are businesswomen, physicians, educators, and change-makers. Silencing their economic voices doesn't just perpetuate further inequality in Iran, but also delays the international shift towards more inclusive development and gender justice. Any viable conversation about the future must include those most affected by policies now. This report will examine the historical path of sanctions on Iran, the mechanism of action and gendered effects, and the national and global responses thus far. By putting Iranian women's work at the forefront of this conversation, delegates are invited to rethink the morality, efficacy, and unforeseen effects of global economic tools that touch them, and to envision solutions that represent the voices of people tomorrow.

Definition of Key Terms

Economic Sanctions

Economic sanctions are measures aimed to alter the behavior of an actor regime. Previous sanctions imposed on Iran included prohibitions on trade and asset freezes. Despite being crafted for the purpose of alleviating nuclear ambitions, the measures have led to disproportionate impacts on women's labor participation in weak sectors such as service, manufacturing, and education. Although sanctions are intended to target a specific party, their economic damages often affect civilians.

Secondary Sanctions



Secondary sanctions apply to third parties that engage in transactions with the sanctioned nation. Unlike primary sanctions, which prohibit a country's own citizens or companies from trade, secondary sanctions deter outsiders through the threat of fines, asset freezes, or exclusion from the sanctioning country's financial system. Their purpose is to isolate the target economy by making it costly for others to maintain normal commercial ties. In the context of Iran's sanctions, secondary sanctions have been central to the US' strategy, with measures such as NDAA §1245 penalizing third-party groups that transact with Iranian counterparties in specified sectors such as oil and finance. Secondary sanctions have kept foreign firms away from investing in Iran's private sector out of fear of losing access to U.S. markets, curbing job opportunities, and foreign capital inflows. Iranian women, who already face legal and societal impediments to entrepreneurship, are locked further out of formal employment and economic opportunities..

Informal Economy

Informal economy refers to economic activity outside state regulation, including unregistered businesses and unpaid labor. Iranian women, especially those impacted by economic sanctions, are pushed into these areas. According to a report from the International Labour Organization (ILO), over 60% of employed women in Iran now work in the informal economy, compared to 35% of men. This illustrates how sanctions have disproportionately impacted women's financial conditions. Despite offering a source of income in the short term, informal work typically lacks legal protection and is unlikely to result in upward mobility. Again, this contributes to the widening gap between genders, especially when it comes to the economy.

Gender Employment Gap

Gender employment gap is a metric that shows the difference in employment rates between men and women. Iran has one of the widest gaps among one of the widest, with sanctions hindering efforts to narrow the gap. In 2024, the labor force participation rate among females stood at 13.4%, and the rate among men was five times higher at 66.3%.

Joint Comprehensive Plan of Action (JCPOA)

The Iran Nuclear Deal, or JCPOA, was reached in July 2015 between the P5 nations, Germany, and Iran. Endorsed by UNSCR 2231 on July 20, 2015, the deal traded strict nuclear limits for sanction relief. The relief began on January 16, 2016, following the verification of Iran's compliance through international inspections. The relief led to lessened inflation, increased economic growth, and gradual



advances in women's employment. In May 2018, the U.S. withdrew and reimposed sweeping sanctions, reversing earlier improvements.

Timeline of Key Events

November 4, 1979 - First U.S. Sanctions on Iran as Response to Hostage Crisis

Following the Iranian Revolution, 52 American diplomats were held captive in Tehran for 444 days. The first U.S. sanctions were imposed as retaliation, and the sanctions saw the freezing of \$12 billion in Iranian assets frozen. The industry that was the most impacted were Iran's commercial sectors. This includes textiles and small businesses- sectors where women were most active.

July 31, 2006 - United Nations Security Council Resolution 1696

Growing concerns over Iran's uranium enrichment program led the UNSC to adopt the UNSCR 1696. Resolution 1696 formally demanded Iran suspend its enrichment and related activities. It was the first U.N resolution to do so. Notably, unlike future measures, this resolution did not impose sanctions. Instead, it laid the groundwork for binding sanctions that were soon to follow.

December 23, 2006 - United Nations Security Council Resolution 1737

Just months after UNSCR 1696, the UN escalated its response to the Iranian Nuclear Crisis to include sanctions. UNSCR 1737 was adopted and was the first significant multilateral UN sanction on Iran's nuclear program. The sanctions were hefty- from the prohibition of nuclear-related technology exports to freezing the assets of important people and organizations. The economic sanctions were meant to be targeted. However, the impact of the sanctions spread to unintended consequences. This included a chain reaction of national sanctions that extended into banking and trade, especially from the US and the EU. Women's employment in finance, services, and mid-sized businesses that depend on imports and foreign contracts decreased as a result of these financial restrictions. Women were highly reliant on private sector employment, which took a heavy toll.

January 23, 2012 - EU Oil Embargo

In the midst of mounting economic pressures, Iran was met with a major external shock. The EU prohibited European firms from receiving insurance for tankers that carried Iranian shipments. It also placed a full embargo on Iranian crude oil. This was decisively effective in curtailing Tehran's ability to sell oil abroad, as the EU was one of Iran's biggest buyers and dominated the maritime insurance market.



Together with U.S. sanctions on Iran's Central Bank, the embargo cut off vital revenues, drove down the currency, and deepened economic strain. The embargo proved to be especially detrimental to the private service sector, where many women were employed.

July 14, 2015 – Joint Comprehensive Plan of Action (JCPOA)

Promising phased sanctions relief in exchange for restrictions on Iran's nuclear program, the JCPOA represented a significant milestone in international diplomacy. The immediate economic effects were evident such as eased inflation, a return of foreign investment, and modest improvements in employment statistics. Women, particularly in education and the social sector, experienced small but noticeable gains, though these advances were uneven and vulnerable to reversal. The agreement also created space for broader discussions about linking sanctions relief to inclusive economic development. Yet the fragility of these improvements revealed how heavily women's economic prospects depended not only on domestic reforms but on the durability of external commitments. On July 20th, 2015, the deal received formal endorsement from the United Nations through Security Council Resolution 2231.

January 16, 2016 – Implementation Day

Iran's compliance to the JCPOA was checked by the IAEA, and compliance was confirmed. The verification was met with swift relief of nuclear-related sanctions, as per deal. The relief saw widespanning improvements in Iran's economy. Inflation slowed, foreign investment rose, and women experienced modest gains in education and service-sector employment. These improvements, however, were uneven and fragile.

May 8, 2018 - U.S. Withdrawal from JCPOA and “Maximum Pressure” Campaign

President Trump withdrew from the JCPOA and reinstated broad secondary sanctions. Foreign businesses left Iran, inflation skyrocketed, and the country's currency crashed. Women were disproportionately affected by job losses as Iran reallocated resources to state-run, male-dominated sectors like defense and oil. Women's informal employment increased, particularly for those living in vulnerable households. Trust in sanctions relief as a means of promoting inclusive growth was severely damaged by the withdrawal.

September 2022 - Death of Mahsa Amini and Nationwide Protests



After Mahsa Amini, at the age of 22, was killed in police custody for allegedly breaking hijab laws, women initiated one of the largest civil movements in Iran. Although not directly linked to sanctions, the turmoil demonstrated the connection between gender inequality and economic downfall. By undermining the industries that women depend on, sanctions increase these tensions by lowering women's autonomy. It changed the focus of the global discussion from nuclear compliance to gender justice and human rights.

Position of Key Member Nations and Other Bodies

Islamic Republic of Iran

Iran has consistently called the sanctions “illegal”, viewing the impositions as an unlawful and unfair form of economic warfare. While the government admits the gender inequality prevalent in the nation, Iran argues that sanctions only exacerbate socioeconomic issues. Iran insists that progress on women’s rights come after sanctions are relieved and that external pressures are hindering domestic reforms. Yet, critics claim that Iran has restricted female labor participation due to its discriminatory laws and severely underfunded gender equality initiatives.

United States of America

The United States claims that sanctions are necessary to stop Iran's nuclear and regional actions. Although there are humanitarian exceptions, they have not resulted in proper safeguards for women's employment. The US government has opposed calls to change sanctions frameworks to include gender-sensitive mechanisms. As the US typically views women's rights as secondary to national security objectives, there has not been an incentive for the government to make changes in frameworks. However, the Congress is now willing to reevaluate the gender and humanitarian impacts.

European Union

Via the JCPOA, the EU has attempted to balance diplomacy and support of specific sanctions. Particularly during the sanctions relief period from 2015 to 2017, EU institutions have expressed concern about the gendered effects of sanctions. Thus, the EU has offered the Iranian civil society limited assistance. However, the EU's capacity to consistently support programs that prioritize gender has been restricted due to its adherence to secondary sanctions.

People’s Republic of China



China has shown a general preference towards diplomacy over sanctions on Iran, and has consistently opposed US-led unilateral sanctions against Iran. There have been multiple accounts of Beijing protesting such measures as illegitimate. Notably, though China holds veto power within the UN Security Council, China refrains from invoking this power, often opting to protect Iran from the sanctions imposed by the West through abstentions and behind-the-scenes negotiations. Economically, China provides a crucial source of revenue for the Iranian government as a major buyer of Iranian oil. China also provides the regime with digital surveillance technology, such as face recognition, which helps the Iranian government identify protestors, such as women who defy hijab rules.

United Nations Development Programme (UNDP)

In Iran, the UNDP has been involved in limited interventions to support women's economic empowerment, primarily through small grants and technical training programs. However, implementation has been hampered by global financial transfer restrictions. The UNDP has pushed for more policy coordination between sanctions committees and gender-focused UN bodies and has underlined the importance of evaluating sanctions regimes from a gender perspective.

Suggested Solutions

In order to combat the impact of economic sanctions on women, a gender sensitive framework is crucial. Committees within the UN responsible for sanctions can integrate gender specific evaluations before imposing sanctions. This will allow policymakers to anticipate the consequences caused by the sanctions, and minimize harm done to women's employment. For instance, broadening the scope of exemptions to cover employment, especially within sectors where women are primarily employed, can be effective in preventing the collapse of key industries uplifting women.

Furthermore, women's livelihoods can be directly supported through increasing support of humanitarian corridors that bypass state actors. This could be achieved through closely working with relevant NGOs or cooperatives. Given that sanctions have prevented financial transfers, mechanisms like humanitarian banking corridors could be institutionalized, allowing international funds to reach women-led enterprises and community organizations without violating sanctions law.

Delegates should also consider the post-sanctions recovery strategies that place a focus on women's empowerment. Historically, when sanctions relief is introduced, women's employment tends to rise in education and service sectors. Thus, considering how future relief packages will ensure



commitments to women's economic participation through conditional funding for gender equality programs or workplace protection can be a critical step in addressing this issue.

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