

# The study of the importance of the agricultural sector in achieving economic development

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## Abstract

The agricultural sector is one of the important economic sectors have an important contribution to the GDP, employment, food needs and agricultural products industries. Ardabil province is considered as one of Iran's agricultural hubs. Ardabil province's agricultural exports accounted for a significant share of non-oil exports of the province which can increase the foreign exchange earnings of the province. Therefore, this study is trying to deal with the impact of agriculture on the economic development of Ardabil province of Iran using quarterly data from 2003 to 2015 and ARDL method. The results of the study show that lending to the agricultural sector and an increase in exports of agricultural products can be a factor in increasing growth and economic development. So that it can be confirmed because of the capacity for the production and export of agricultural products Ardabil, with the improvement of conditions can provide much more growth and economic development of the province.

**Key words:** export, agricultural production, economic growth, using ARDL.

## 1. Introduction

In today's world, communications, exchanges, information and technology have expanded and developed more than before. Producers and exporters of the products, compared to the past, have a better opportunity to compete in these international markets and make their domain bigger by this (Alikhani et al, 2010, 2).

Improving the ability of exports result increase of domestic production, employment and the added value in different fields like (agriculture, industry, mining, etc.) quality improvement of domestic products and making competition opportunities, according to the possibility of more and better providing of the products and stabilizing the balance of payments in the countries. The agriculture sector is known as one of the important economic sectors which is the provider of a portion of production and food demands (Esna ashari and Karbasi, 2009, 140).

The agriculture sector can also have a lot of effects on the cooperation of other sectors. The share of agriculture sector in massive economic indexes like gross domestic production, the number of employed people and non-oil exports is significant. Agriculture,