



P F I POPULATION
FOUNDATION
OF INDIA

POLICY BRIEF

**Investing in Women and Girls to Secure
India's Gender and Demographic Dividend**

Context and rationale

India stands at a pivotal moment in its demographic journey. With nearly 1.5 billion people (UNFPA, 2025), the country has surpassed China as the most populous nation in the world. The latest population projections indicate that 33% of the total population falls within the 5–24 age bracket, and the working-age population (ages 15–59) is expected to peak at 65.8% in 2031 and then decline [1]. Almost half the population is female; therefore, their rights, aspirations, and choices must shape national programmes and policies.

India's fertility rate has fallen to 2.0 (NFHS-5, 2019-21), below the replacement level of 2.1, reflecting a broader global trend of declining fertility, a large working-age population, and a rising share of older people. However, this national average hides significant inequalities and regional variations. Fertility remains higher among women in regions with limited education, healthcare, and economic opportunities (NFHS-5, 2019-21).

These demographic trends present India with a unique opportunity to harness both demographic¹ and gender² dividends. However, this potential and the associated window of opportunity are contingent upon adequate investments made today in education, health, and skill development, and on equal opportunities for women and girls. Realising this potential requires policies and programmes that actively promote gender equality and challenge regressive social norms. In addition, targeted interventions are essential to address systemic gaps and structural inequalities, particularly for the most marginalised women and girls.

¹ Demographic dividend is the economic growth potential that can result from shifts in a population's age structure, mainly when the share of the working-age population (15 to 64) is larger than the non-working-age share of the population (14 and younger, and 65 and older).

² A gender dividend is the increased economic growth that could be realised with investments in women and girls. While the demographic dividend comes from shifting age structures toward more productive ages, gender dividends come from taking steps that increase the volume of market (paid) work and the level of productivity of the female population.

KEY STATISTICS ON WOMEN AND GIRLS IN INDIA

Health and Nutrition

More than half of women (aged 15–49) are anaemic, rising to **59% among adolescent girls**—undermining learning, productivity, and maternal health. (NFHS-5, 2019-21)



Education

Only **4 in 10 women** have studied beyond Class 10, limiting access to economic opportunities. (NFHS-5, 2019-21)



Violence Against Women

Nearly 1 in 3 married women report experiencing domestic violence, yet most never seek help. Disturbingly, **45% of women** and **44% of men** believe that wife-beating is justified in some circumstances. (NFHS-5, 2019-21)



Mobility

Only **42% of women** can move freely outside the home, restricting access to health, income, and autonomy. (NFHS-5, 2019-21)



Labour Force

Women's labour force participation remains at **41.7%**, leaving a vast pool of untapped talent. (PLFS, 2023-24)



Family Planning

One in 10 women has an unmet need for family planning—**24 million** in total. Women continue to bear the disproportionate burden of family planning, while male engagement remains negligible. (NFHS-5, 2019-21, Devaraj, K., et., al. 2024)



Sexual and Reproductive Health

Many girls lack information on menstrual and sexual health, which prevents them from returning to education and employment. Unsafe abortions persist, with **5% of the 15.6 million** annual abortions occurring outside health facilities. (Susheela Singh et al. 2015)

Leadership

Just **1 in 4** board members and **1 in 6** senior managers are women. (MoSPI, 2023)



Child Marriage

1 in 4 young women (aged 20-24) were married before 18.

Early marriage increases health risks, with 7% of married girls aged 15-19 already mothers or pregnant. (NFHS-5, 2019-21)



Safety and Justice

Reported crimes against women increased by **30%** between 2014 and 2022, with many cases remaining unreported due to stigma, fear, or weak reporting mechanisms. (NCRB., 2022)



The relationship between empowerment, fertility, and workforce participation

Research across many contexts shows that women's lives are shaped by structures that influence education, fertility choices, and work [2-5]. Women exercise greater control over these decisions when they have access to resources, supportive institutions, and freedom from discrimination [6-8]. Education expands women's opportunities and challenges gendered power relations. Safe and fair employment opportunities strengthen women's autonomy and improve access to services, including reproductive health [9-11]. When education and work reinforce each other, they support women's ability to claim rights, negotiate choices, and participate fully in society [12-14].

Patriarchal norms shape expectations around fertility, restrict girls' education, and sustain son preference. These norms also maintain unequal divisions of household chores and unpaid care work, reinforce unequal power relations, and limit women's participation in paid work [15-19]. Shifting these norms requires actions that redistribute power, expand bodily autonomy, and involve men and institutions in changing gender relations. Without addressing these barriers, India cannot fully unlock the potential of its demographic and gender dividends.

Investing in women and girls is both a social and an economic imperative. Global research highlights the social and financial losses caused by discrimination, but the central issue is women's freedom to make choices without coercion or constraint. According to the World Bank, closing gender gaps in labour earnings could unlock a \$172 trillion "gender dividend" worldwide [20]. In India, women's economic participation could have boosted GDP by \$770 billion by 2025 [21]. Thus, in India, bridging gender gaps has the potential to improve wellbeing across communities, support inclusive development, and advance justice for women and girls.

Population Foundation of India, in collaboration with the Institute for What Works to Advance Gender Equality (IWWAGE), undertook a study titled "Exploring Linkages Between Women's Empowerment, Workforce Participation, and Population Dynamics in the Indian Context: A Comprehensive Macro-Micro Analysis." The study moves beyond sectoral analysis to demonstrate why economic growth and service expansion alone are insufficient to improve women's outcomes. It strengthens the policy evidence base by developing two India-specific subnational indices, the Adaptive Human Development Index and the Adaptive Women's Empowerment Index, which complement existing national and global frameworks by providing more recent and context-relevant state-level insights. By anchoring global methodologies in India's demographic and social realities, the study offers policymakers targeted evidence to inform planning, prioritisation, and monitoring of strategies to advance women's autonomy, gender-responsive care systems, and shared responsibility between women and men, in support of equitable and sustainable development.

Methodology

The study applied mixed methods to examine the connections between women's empowerment, human development, and fertility in India. At the subnational level, two indices were developed: the Adaptive Human Development Index (AHDH), aligned with the UNDP Human Development Index, and the Adaptive Women's Empowerment Index (AWEI), adapted from the UNDP–UN Women "Path to Equal" framework³. States and Union Territories were grouped into major states (22 states including Delhi and Assam), Northeastern states (7 states excluding Assam), and Union Territories (7 UTs excluding Delhi), and classified as high (≥ 0.60), medium (0.40–0.59), or low (≤ 0.39) performers based on clear score thresholds. This allowed comparisons across states/union territories with different social and economic conditions.

These two indices address the gap in context-specific, up-to-date state-level measures of human development and women's empowerment. State-level HDI estimates for India are available, but the most recent update dates back to 2017–18. A women's empowerment index that reflects India's context, while drawing on global methods and moving beyond the limited dimensions of the Gender Inequality Index and NITI Aayog's SDG India Index, represents a new effort to measure women's empowerment at the subnational level.

At the individual level, the analysis drew on NFHS-5 data for 54,224 currently married women aged 15–49 from across the country, using a generalised structural equation model (GSEM). In-depth interviews were conducted with 36 adolescent girls and young women in urban, peri-urban, and rural areas of Uttar Pradesh, Bihar, and Delhi, using context-based vignettes. These interviews captured experiences linked to schooling, early marriage, reproductive autonomy, contraception, and work aspirations. Their accounts revealed how gender norms, family expectations, and unequal access to resources shape everyday choices.

Salient findings

India's progress in human development and women's empowerment varies considerably across states. While some states demonstrate relatively strong human development outcomes, most still fall short of global benchmarks for women's empowerment.

³ United Nations Development Programme (UNDP) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), 2023., "THE PATHS TO EQUAL: New twin indices on gender equality and women's empowerment and gender equality". New York, USA. [paths-equal-twin-indices-women-empowerment.pdf](#)

KEY INSIGHTS FROM FINDINGS

Women's empowerment and human development progress together.



AWEI-AHDI correlation ≈ 0.8

Interpretation: Improvements in human development are closely linked to gains in women's empowerment.

Higher levels of women's empowerment and human development are associated with lower fertility.



Correlations with TFR: AHDI -0.64 ; AWEI -0.50 .

Interpretation: States that perform better in development and empowerment tend to have smaller family sizes.

No state or union territory falls into the high category of women's empowerment.



Interpretation: Women's empowerment remains a nationwide challenge, even in the better-performing regions.

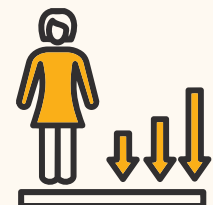
States and union territories such as Kerala, Delhi, and Goa record **high human development, yet women's empowerment indicators continue to lag.**



Interpretation: Human development gains do not automatically translate into greater empowerment outcomes for women. Work participation strengthens women's agency, but agency alone does not ensure workforce participation, owing to systemic and social barriers.

Bihar, Uttar Pradesh, Assam, Jharkhand, and Madhya Pradesh **rank low on both women's empowerment and human development**, indicating serious gaps in both areas.

Interpretation: These states face compounded deficits, requiring simultaneous action on development and on gender equality.





Only six major states⁴, two union territories⁵, and two northeastern states⁶ fall into the **high category of human development**.

Interpretation: High human development outcomes are limited to a small number of regions.

Workforce participation contributes to lower fertility,

yet in some contexts, having more children pushes women into the workforce due to economic compulsion.



Interpretation: The relationship between fertility and work is context-specific and shaped by economic necessity.

Women with greater agency exercise more reproductive choice,

but agency also tends to increase after motherhood, owing to prevailing sociocultural norms.



Interpretation: Women's agency is both a driver and an outcome of life-course transitions shaped by social norms.

Association between AHDI and TFR

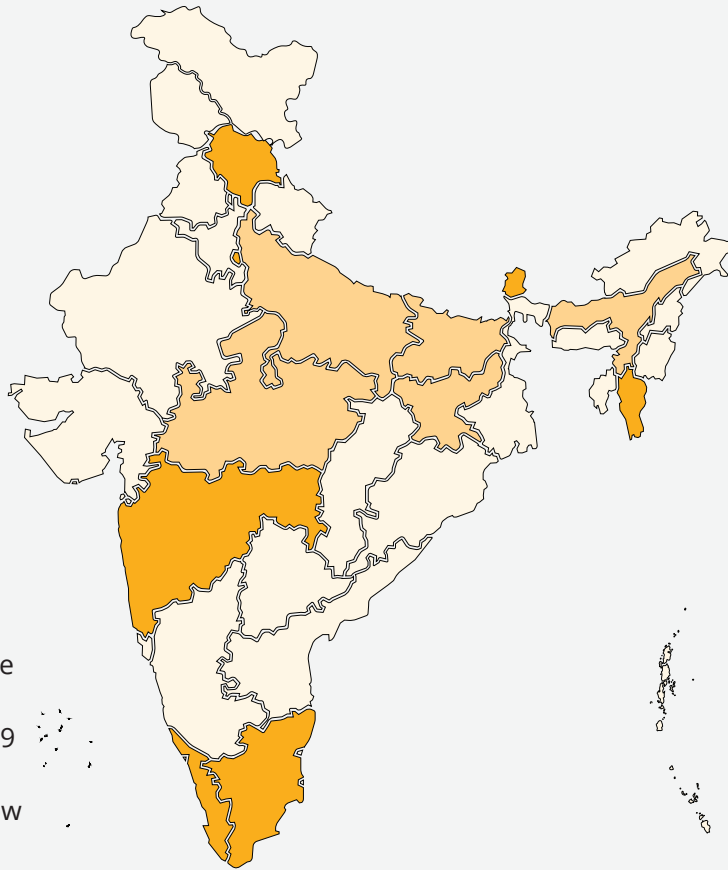
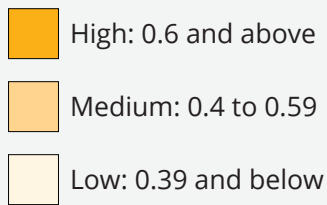
AHDI and TFR exhibit a negative but moderate correlation (-0.64). Bihar and Uttar Pradesh, both in the 'Low' AHDI category, report TFRs above the national average of 2.0, indicating continued high fertility and lagging human development. In contrast, most states in the 'High' and 'Medium' AHDI categories have TFRs below the replacement level (2.1), suggesting effective fertility control and better access to reproductive health services. The inverse relationship between AHDI and TFR is particularly pronounced in states with lower AHDI scores. These disparities affect not only women's lives but also broader population trends, including fertility and labour participation.

⁴ Major States – Delhi, Goa, Kerala, Tamil Nadu, Himachal Pradesh, and Maharashtra

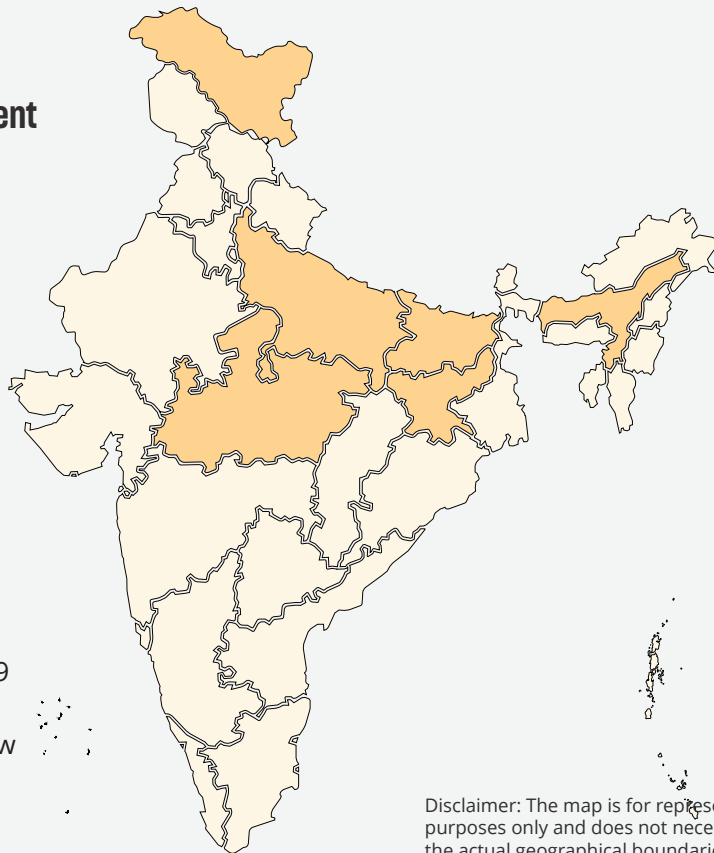
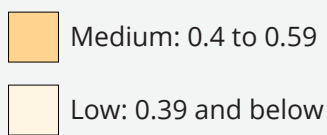
⁵ Union Territories – Chandigarh and Puducherry

⁶ Northeastern states – Sikkim and Mizoram

Adaptive Human Development Index (AHDl)



Adaptive Women's Empowerment Index (AWEI)



Disclaimer: The map is for representational purposes only and does not necessarily reflect the actual geographical boundaries of India

Association between AWEI and TFR

AWEI shows a moderate negative correlation with TFR (-0.5). Among the states with low AWEI scores, namely Jharkhand, Uttar Pradesh, Assam, and Bihar, three (excluding Assam) have TFRs exceeding 2.25. This reinforces that low women's empowerment often coincides with higher fertility rates.

AHDI and AWEI have a strong positive correlation (0.8), indicating that empowering women, through better access to education, economic opportunities, healthcare, and participation in decision-making, contributes to overall improvements in a society's human development. Women's empowerment through better access to education, quality healthcare, and dignified work not only enhances their own lives but also creates a ripple effect: educated women tend to raise healthier, educated children and make informed decisions about their bodies, which leads to improved maternal and child health outcomes, reduced child mortality, and eventually leads to improved human development. The expansion of economic opportunities for women, such as access to formal employment, entrepreneurship, and financial services, has a profound impact on household and national economies.

Bidirectional association between women's agency, workforce participation, and fertility

Econometric model results indicate that paid work is strongly associated with women's agency. Working women are more likely to have greater intra-household agency compared to those who are not in paid work. At the same time, higher agency does not always translate into higher employment. A one-unit rise in the agency index reduces the odds of employment by 5%. This reflects structural barriers, unequal access to education and skills, limited job opportunities, safety concerns, restrictive social norms around work, and the income effect, which discourages families and limits women's opportunities to participate in the workforce. Taken together, the evidence suggests that employment strengthens women's bargaining power far more than agency alone increases their chances of entering the labour market.

Gender norms shape the interaction between women's agency and fertility. Greater agency is associated with fewer children, as numerous studies have confirmed. Yet in settings where a woman's status is tied to motherhood and son preference remains strong, each additional child can raise her standing within the household, producing the opposite relationship. Working married women are less likely to have more children

than those who are not working. The reverse pattern, i.e., higher fertility pushing women into the labour market, reflects economic pressure rather than choice. Women with more children face a 15% higher odds of seeking employment, often in low-wage farm or manual jobs. These findings show how women navigate constrained options and how economic independence allows greater control over reproductive decisions, time, and future aspirations.

Influence of norms on women's empowerment, workforce participation, and fertility decisions

Patriarchal norms continue to shape women's education, work, and reproductive choices, reinforcing unequal power across generations. Girls and young women often leave school due to financial pressures, safety concerns, or expectations of early marriage, which limits their future access to paid work. Immediately after marriage, social pressure to conceive restricts their agency to delay pregnancy or pursue education and employment. Limited mobility and dependence on husbands for health services reduce their access to reliable contraceptives and reproductive health information, leaving many with little control over fertility decisions. Early socialisation reinforces the idea that women belong in the home, narrowing their aspirations and steering them towards skills that serve marriage rather than independence. Women recognise the link between economic independence and greater decision-making power, yet their freedom to work is shaped by family approval, safety concerns, and job opportunities. Those who can earn income gain greater influence over reproductive decisions and household matters; however, restrictive norms, unequal care responsibilities, and the absence of local role models continue to constrain their choices and limit their agency.

Policy and Programmatic Recommendations

1. **Strengthen Gender-Responsive Budgeting:** Mandate gender budgeting across all ministries at the centre and in the states, strengthen Gender Budgeting Cells, build staff capacity, and publicly track and report on implementation and compliance to make gender budgeting universal, accountable, and outcome-driven.
2. **Advance Women's Workforce Participation:** Design skilling and employment programmes aligned with market needs, expand digital and financial literacy, ensure safe and flexible workplaces, and strengthen schemes such as Pradhan Mantri Kaushal Vikas Yojana (PMKVY) to include marginalised women.

3. **Promote Women's Leadership:** Increase women's representation, influence and leadership through mentorship and capacity-building systems, inclusive appointments, and gender accountability across both public and private institutions.
4. **Strengthen Reproductive Autonomy:** Ensure comprehensive SRH services, integrate gender equality into the Mission Parivar Vikas programme, reach excluded groups through mobile units, and link reproductive health to empowerment and economic security.
5. **Keep Girls in School:** Extend free and compulsory education to age 18, promote community behaviour change to support girls' education, and address structural barriers such as poor sanitation, unsafe transport, and limited hygiene facilities.
6. **Shift Social Norms:** Invest in sustained, evidence-based SBC campaigns promoting equality, shared care, and positive masculinity, while leveraging digital tools to reach and influence younger audiences.
7. **Strengthen Data and Evaluation:** Develop regular, standardised, disaggregated data systems and commission independent evaluations to support evidence-based policy and programme-making and to ensure accountability for women's empowerment programmes.
8. **Tailor Policies to State Realities:** Adapt policies and programmes to each state's demographic and development context, focusing on education and SRH in high-fertility states, quality elderly care and active ageing in low-fertility states, while improving coordination and implementation across sectors.

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