

# An Economic Analysis of Gender Equality in Tamil Nadu

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## Abstract

*Gender equality remains a critical dimension of social and economic development, and Tamil Nadu presents a unique case in the Indian context. The state has historically invested in education, healthcare, and social welfare, resulting in comparatively favourable gender indicators such as high female literacy, reduced maternal mortality, and significant women's participation in self-help groups and small enterprises. Policies such as the Midday Meal Scheme, Marriage Assistance Scheme, and empowerment initiatives for women in rural cooperatives have further strengthened their socio-economic position. However, the enquiry reveals a complex picture. While women in Tamil Nadu contribute substantially to the textile, healthcare, and service sectors, persistent challenges remain in terms of gender wage gaps, underrepresentation in leadership roles, unpaid care work, and workplace safety. Cultural and structural barriers continue to influence women's mobility and decision-making power, particularly in rural regions. Moreover, urban-rural disparities and sectoral imbalances highlight the uneven progress of gender equality across the state. The study emphasizes that Tamil Nadu's experience illustrates both notable achievements in women's empowerment and unfinished agendas that align with Sustainable Development Goal 5 (Gender Equality). Addressing these requires targeted interventions in education beyond secondary levels, skilling for emerging industries, political representation, and institutional mechanisms that recognize and redistribute unpaid labour.*

**Keywords:** Gender Equality, Tamil Nadu, Women's Empowerment, Labour participation, Social justice, SDGs.

## Introduction

Gender equality is both a normative goal and an economic imperative. Equal opportunities for women and men increase productivity, raise household incomes, and foster inclusive and sustainable development. Tamil Nadu — one of India's more industrialized and

socially progressive states — often performs better than the national average on literacy, life expectancy, and health outcomes. Nonetheless, deep gender-based disparities persist in economic participation, access to assets, and decision-making power. This paper provides an integrated economic analysis of gender equality in Tamil Nadu, synthesizing evidence on key outcome areas, diagnosing the underlying causes, and offering actionable policy recommendations.

## **Conceptual framework**

We adopt a capability-and-constraint framework informed by capability theory (Sen.) and labour economics. Gender equality is treated as a multidimensional construct: capabilities (education, health), endowments (skills, assets), opportunities (jobs, credit), and agency (voice, decision-making). Economic outcomes are shaped by market structures (demand for labour, occupational segmentation), household constraints (care responsibilities, intra-household allocation), institutional settings (laws, service delivery), and social norms. This framework guides the empirical assessment and policy proposals.

## **Data and methodology**

The analysis synthesizes secondary sources: population censuses, national and state household surveys (e.g., National Family Health Survey, Periodic Labour Force Survey), government publications, and peer-reviewed literature. Where quantitative data are cited, the emphasis is on trends and relative comparisons rather than single-year point estimates, unless otherwise noted. Qualitative findings from case studies and program evaluations supplement the quantitative evidence to capture barriers such as gender norms and safety concerns that are not fully captured by surveys.

## **Stylized facts and empirical findings**

### **Education and human capital**

Tamil Nadu has made notable progress in female literacy and school enrolment. Gender gaps at primary and secondary levels have narrowed substantially, and female enrolment in higher secondary education has improved. However, disparities remain in transition to higher education fields that lead to higher-paying occupations (e.g., engineering

and technology), and the quality and employability linkages of education require strengthening.

### **Health and reproductive outcomes**

Health indicators for women—maternal mortality ratios, immunization coverage, and nutritional status—show improvement in Tamil Nadu compared with several other states. Yet adolescent nutrition, anemia, and access to quality reproductive health services remain areas of concern that affect women's labour market outcomes and lifetime productivity.

### **Labour force participation and employment quality**

A persistent puzzle is the low female labour force participation rate (LFPR) despite rising education levels. Many women in Tamil Nadu engage in informal, low-paid, or precarious work—agricultural labour, domestic service, or home-based informal manufacturing—rather than formal salaried employment. Occupational segregation and limited access to decent work constrain earnings and economic security. Barriers include lack of safe transport, inadequate childcare, social norms discouraging female work outside the home, and mismatches between skills and labour market demand.

### **Wage gaps and occupational segregation**

Where women are employed, they tend to be concentrated in lower-paid occupations and sectors. Gender wage gaps persist after controlling for observable characteristics, reflecting discrimination, interruptions in work histories, and concentration in informal employment without collective bargaining or social insurance.

### **Asset ownership and financial inclusion**

Property and asset ownership inequality limits women's collateral access and bargaining power. While financial inclusion (account ownership) has expanded, access to formal credit, control over financial resources, and entrepreneurship finance tailored to women remain limited. Women often rely on self-help groups and microfinance, which provide both opportunities and challenges depending on program design.

### **Political representation and voice**

Women's political participation at local (panchayat) levels has increased, aided by reservation policies. However, representation in higher-level political offices and in economic

decision-making positions remains limited. Agency and voice within households and communities continue to be shaped by patriarchal norms.

### **Social norms, safety, and time use**

Unpaid care work disproportionately falls on women, reducing time available for paid employment and skill acquisition. Concerns about personal safety in public spaces and workplaces constrain mobility and job choices. Social norms regarding gender roles also influence employer preferences and hiring practices.

### **Economic costs of gender inequality**

Gender gaps impose macro- and micro-level costs. At the macro level, underutilization of female talent reduces aggregate output and potential GDP. At the household level, women's limited earning capacity increases vulnerability to shocks, reduces investment in children's human capital, and perpetuates intergenerational inequality. Studies from comparable contexts indicate that closing gender gaps in labour force participation and pay substantially raises growth and poverty reduction prospects.

### **Policy analysis and interventions**

A multifaceted policy strategy is required. Key policy areas include:

#### **Education and skills**

Strengthen gender-sensitive curricula and career counselling to encourage female participation in STEM and vocational streams linked to local labour demand. Expand skill development programs with flexible schedules and childcare support to help women transition to formal sector jobs.

#### **Labor market and formalization**

Promote women's employment in formal sectors through incentives for firms (e.g., matching grants, subsidized training), improved workplace safety standards, and enforcement of equal pay and anti-discrimination laws. Support creation of decent work in value chains where Tamil Nadu has a comparative advantage (textiles, electronics, and services) with gender-inclusive upgrading.

### **Social protection and care infrastructure**

Invest in affordable childcare, eldercare, and health services to reduce unpaid care burdens and increase women's labour supply elasticity. Design social protection schemes (maternity benefits, unemployment insurance) that are portable and accessible to informal workers.

### **Financial inclusion and entrepreneurship**

Expand access to formal credit, collateral-free lending products, and business development services for women entrepreneurs. Strengthen SHG-bank linkage programs and ensure graduation pathways into formal markets.

### **Legal and institutional reforms**

Improve enforcement of laws related to property rights, domestic violence, and workplace harassment. Use gender-responsive budgeting to ensure adequate allocation and monitoring of resources for women's programs.

### **Social norms and behavioural change**

Implement community-based programs that engage men and boys, promote shared care giving, and shift norms around female mobility and work. Use media and role-modelling to highlight successful female entrepreneurs and professionals.

### **Implementation challenges and cross-cutting considerations**

Policies must be context-sensitive and coordinated across departments (education, labour, health, rural development, urban planning). Key challenges include data gaps (timely, disaggregated indicators by gender, caste, rural/urban location), administrative capacity, and the need to avoid one-size-fits-all approaches. Intersectionality matters: caste, class, disability, and rurality shape gendered outcomes and must inform program targeting.

### **Conclusion**

Tamil Nadu has achieved substantive gains in human development that create a favourable foundation for advancing gender equality. However, transforming these gains into equitable economic participation for women requires addressing structural barriers care responsibilities, safety, skills mismatch, informalization, and discriminatory norms. A comprehensive strategy that combines investment in care infrastructure, gender-sensitive education and skill-building, labour market reforms promoting formal jobs, financial

inclusion, and normative change can unlock substantial economic and social benefits for the state. Progress will depend on strong political will, sustained financing, robust monitoring, and meaningful participation of women in design and implementation.

### **Policy brief: Key recommendations**

1. Scale up affordable childcare services in urban and rural areas.
2. Design vocational training and placement programs linked to market demand, timed and located to suit women (flexible hours, local centres).
3. Strengthen enforcement of workplace safety and anti-harassment measures.
4. Expand collateral-free credit and entrepreneurship support, with market linkages.
5. Mainstream gender-responsive budgeting across departments and collect better gender-disaggregated data.
6. Run community campaigns to reshape norms around care work and female employment.

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