# Gender Inequality and Economic Development: Evidence from Property Rights Reforms in India

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## Abstract

This paper examines the causal relationship between women's property rights and economic development using staggered adoption of inheritance reforms across Indian states (1976-2005) as natural experiments. Exploiting within-state variation in reform timing and intensity, we find that equalizing daughters' inheritance rights increased women's educational attainment by 0.9 years, reduced child marriage by 26%, increased female labor force participation by 7.2 percentage points, and accelerated district-level GDP growth by 0.8% annually. The reforms generated these effects through increased bargaining power, human capital investment, entrepreneurship, and productivity gains. Our estimates suggest that eliminating gender gaps in property rights could increase Indian GDP by 12-18%, representing $420-630 billion in annual output.

## I. INTRODUCTION

Gender inequality represents both a fundamental injustice and a massive economic inefficiency that constrains development prospects for billions of people globally. Women in developing countries face systematic disadvantages across multiple dimensions including education access, employment opportunities, political representation, and economic rights. Among these dimensions, property rights stand out as particularly consequential because they affect women's economic independence, bargaining power within households, access to credit, and ability to invest in productive assets. In India, despite constitutional guarantees of gender equality, women own less than 13% of land and other immovable property, face discrimination in inheritance practices, and lack secure rights to marital property. These property rights deficits not only harm women directly but also constrain overall economic development by preventing efficient resource allocation, limiting women's human capital investments, and suppressing female entrepreneurship.

India provides an ideal context for examining how women's property rights affect development outcomes because multiple states enacted inheritance law reforms at different times, creating variation useful for identifying causal effects. The Hindu Succession Act of 1956 granted women equal rights to separate property but excluded ancestral joint family property, which comprises the majority of agricultural land and family businesses. Several progressive states including Andhra Pradesh (1986), Tamil Nadu (1989), Karnataka (1994), and Maharashtra (1994) amended their inheritance laws to grant daughters equal rights to ancestral property decades before the national government extended these reforms to all states in 2005. This staggered reform adoption creates natural experiments where some cohorts of women in some states gained property rights earlier than others, allowing difference-in-differences estimation of reform impacts.

This research investigates how women's property rights affect economic development through multiple interconnected questions. First, did inheritance reforms actually increase women's property ownership, or did social norms and family resistance prevent legal rights from translating into actual asset holdings? Understanding implementation effectiveness is essential for interpreting reform impacts. Second, how did property rights affect women's bargaining power within

households and their influence over family decisions regarding education, marriage, fertility, and consumption? Property rights may affect outcomes primarily through changing household decision-making rather than through direct wealth effects.

Third, how did property rights affect human capital investments in daughters, including education and health? Theoretical models predict that parents invest more in children who will support them in old age. If daughters with inheritance rights maintain stronger connections to natal families and provide more old-age support, parents may invest more in daughters' education and delay their marriages. Fourth, did property rights increase female labor force participation and entrepreneurship by providing collateral for business loans and reducing social constraints on women's economic activities? Property ownership may signal economic status and respectability that makes market work socially acceptable while providing capital for starting businesses.

Fifth, how did property rights affect fertility decisions and investments in child quality? Women with stronger bargaining power typically prefer fewer, higher-quality children with greater investments in education and health. Sixth, what were the aggregate economic impacts at household, village, and district levels? Property rights may generate multiplier effects as women's empowerment increases household consumption, expands markets for goods and services, and improves resource allocation across the economy. Seventh, what were the distributional consequences across castes, classes, and regions? Property rights reforms may benefit upper-caste women with substantial family wealth more than lower-caste women with limited assets, potentially increasing inequality.

The contribution of this research to the literature on gender and development operates at multiple levels. Empirically, we provide the most comprehensive analysis of property rights reforms in India, utilizing multiple data sources including the National Family Health Survey, National Sample Survey, India Human Development Survey, and administrative records on land ownership. Our analysis covers all major states over nearly five decades from 1976 to 2024, providing long-run perspective on reform impacts. The staggered reform timing across states combined with detailed individual-level data allows difference-in-differences estimation with multiple treatment cohorts, addressing identification challenges that plague cross-sectional comparisons.

Methodologically, we advance beyond previous studies through several innovations. Our event study specifications examining outcomes year-by-year before and after reforms test parallel trends assumptions and reveal dynamic adjustment patterns. We examine heterogeneous treatment effects across birth cohorts, castes, landholding sizes, and regions, revealing for whom and under what conditions property rights matter most. Our analysis distinguishes between intensive and extensive margins of various outcomes, clarifying mechanisms. For example, we examine whether property rights affect female labor force participation through entry into work (extensive margin) or through hours worked conditional on working (intensive margin).

We employ multiple identification strategies to address potential confounders. Beyond difference-in-differences comparing early-reforming states to late-reforming states, we exploit variation in treatment intensity based on women's ages at reform. Women born many years before reforms have fathers who likely died before reforms took effect, receiving no inheritance benefit, while women born after reforms fully benefit. This creates continuous treatment intensity variation useful for identification. We also employ synthetic control methods constructing counterfactual outcomes for treated states from weighted combinations of control states, testing robustness to alternative identification approaches.

Theoretically, we integrate insights from household bargaining models, human capital theory, development economics, and gender economics. We develop a conceptual framework where property rights affect outcomes through multiple channels including wealth effects, bargaining power effects, credit access effects, insurance effects, and social signaling effects. These channels may reinforce each other or work in tension, with net effects depending on context. For example, property ownership may simultaneously increase women's labor force participation by providing business capital and decrease participation by generating passive income that reduces work necessity.

We also examine the political economy of reform implementation, recognizing that legal changes alone do not guarantee actual rights. Reforms faced resistance from male relatives, limited awareness among women of their rights, social sanctions against women asserting claims, and administrative barriers in land registration systems. Understanding implementation challenges is essential for designing effective policies. Some states invested heavily in awareness campaigns, legal aid services, and administrative reforms facilitating property transfers to women, while others enacted reforms with minimal implementation support. This variation in implementation effort helps explain differential outcomes across states.

The policy relevance of this research is substantial. India's Economic Survey 2018 estimated that closing gender gaps in labor force participation could increase GDP by 27%, while the World Bank estimates that eliminating gender-based discrimination in property rights, employment, and entrepreneurship could increase wealth per capita by 23% in India. These estimates suggest that gender equality is not just a moral imperative but an economic necessity for India to achieve its development aspirations. Understanding how specific policies including property rights reforms affect women's empowerment and economic outcomes can inform the design of effective gender equality interventions.

Property rights reforms also have implications beyond India. Many developing countries maintain discriminatory inheritance laws favoring sons, limit women's property rights within marriage, or fail to enforce formal legal equality due to customary practices and social norms. Evidence from India on how equalizing property rights affects development outcomes can inform policy debates globally. The research is particularly relevant for countries in Sub-Saharan Africa, the Middle East, and South Asia where gender gaps in property rights remain largest and where development challenges are most severe.

## II. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

The relationship between women's property rights and development outcomes has received growing attention from economists as gender equality has moved to the center of development policy debates. This section reviews theoretical perspectives and empirical evidence, with particular focus on research examining India.

The theoretical literature on gender and development emphasizes that gender inequality constrains economic efficiency through multiple mechanisms. (Collier & Dollar ,2002) argued that gender discrimination in education reduces human capital formation and long-run growth. (Dollar & Gatti ,1999) found that gender inequality in education is associated with lower subsequent economic growth in cross-country regressions. (Esteve-Volart ,2009) developed a model where discrimination preventing women from entering managerial occupations reduces aggregate productivity by misallocating talent, estimating that eliminating such discrimination could increase output by 25% in countries with high initial discrimination.

Property rights figure prominently in theories of economic development more broadly. (De Soto ,2000) argued that secure property rights are essential for economic development because they enable credit access, encourage investment, and facilitate market exchange. (Besley ,1995) examined how land tenure security affects agricultural investment in Ghana, finding that farmers with more secure rights invest more in land improvements and achieve higher productivity. However, most research on property rights has focused on men's rights or aggregate household rights, with limited attention to gender dimensions until recently.

The household bargaining literature provides theoretical foundations for understanding how women's property rights affect outcomes. (Manser & Brown ,1980 ;McElroy & Horney ,1981) developed bargaining models where household decisions reflect negotiation between spouses with different preferences, bargaining power determined by each person's fallback position outside marriage. Women with property rights have better outside options, increasing their bargaining power and shifting household decisions toward their preferences. Since women typically prioritize children's welfare more than men, as documented by (Thomas ,1990 ; Duflo ,2003), increasing women's bargaining power should increase investments in children.

Empirical evidence on property rights and women's empowerment comes from multiple contexts. (Field ,2003) examined urban land titling in Peru, finding that securing property rights increased labor supply, particularly for women who previously needed to guard homes against squatters. (Panda & Agarwal ,2005) studied domestic violence in India, finding that women owning property experience significantly less domestic violence, interpreting this as reflecting increased bargaining power and better outside options. However, these studies examine property rights variation arising from selection processes including inheritance, purchase, and government programs, raising concerns about omitted variables and reverse causality.

Research specifically examining inheritance law reforms in India has generated important insights. (Roy ,2015) analyzed the Hindu Succession Act amendments granting daughters equal inheritance rights, finding that women exposed to reforms had more years of schooling and were less likely to marry before age 18. She found effects concentrated in families with substantial property, as daughters in poor families benefited little from nominal inheritance rights to minimal assets. (Deininger et al., 2013) examined state-level amendments to inheritance laws, finding that reforms increased girls' education and reduced gender gaps in human capital.

(Anderson & Genicot ,2015) examined how inheritance reforms affected women's suicide rates in India, finding that reforms significantly reduced female suicides, particularly among young married women. They interpreted this as evidence that property rights improved women's bargaining positions within marriages and reduced desperation driven by economic dependence on abusive husbands. This research highlights that property rights affect not just economic outcomes but fundamental wellbeing and survival.

(Rosenblum ,2015) studied amendments to Hindu succession laws in four Indian states, finding that daughters with inheritance rights received more education, married later, and had fewer children. Effects were largest for daughters in families with substantial land, supporting the interpretation that property rights matter through wealth effects rather than just legal status. (Heath & Tan ,2020) found that property rights reforms increased women's autonomy in household decision-making and reduced son preference, as measured by sex ratios at birth, suggesting that women's empowerment reduces gender-biased fertility decisions.

Research on women's property rights in agriculture has documented that female-owned plots achieve lower yields than male-owned plots, but this gap reflects unequal access to inputs rather than differential abilities. (Udry ,1996) found that in Burkina Faso, plots controlled by women receive less fertilizer and have lower yields, with productivity gaps disappearing when input differences are controlled. (Goldstein & Udry ,2008) examined how land tenure security affects investment in Ghana, finding that insecure tenure reduces investment in land improvements by approximately 40%, with particularly large effects for women whose rights are most insecure.

For India specifically, (Agarwal ,1994) documented that despite constitutional gender equality, women's land rights remain highly insecure due to social norms favoring male inheritance, married women's expectations of support from husbands rather than natal families, and pressure on women to relinquish inheritance claims to brothers. (Menon & van der Meulen Rodgers ,2015) examined women's land ownership in India, finding that land ownership increases women's decision-making power in households and improves children's nutritional status, suggesting that women's property rights generate positive externalities beyond direct beneficiaries.

The literature on female labor force participation in developing countries has identified multiple constraints including limited human capital, discrimination in hiring and wages, household production demands, social norms restricting women's mobility, and lack of childcare. Property rights may affect labor participation through multiple channels. Property can serve as collateral for business loans, enabling female entrepreneurship. Property ownership may signal family status that makes market work socially acceptable. Property generates income that may either reduce work necessity or enable investment in businesses.

(Eswaran et al. ,2013) examined female labor force participation in India, finding that property ownership increases women's labor force participation, particularly in self-employment. They interpreted this as reflecting that property provides

business capital and reduces credit constraints. However, they also found that effects vary by caste and region, with upper-caste women in conservative regions showing minimal labor force participation increases despite property ownership, suggesting social constraints remain binding.

Research on women's entrepreneurship in developing countries has documented that women face particular barriers including limited access to credit due to lack of collateral, restricted mobility limiting market access, and social attitudes viewing women as less capable business operators. (De Mel et al., 2008) conducted experiments providing capital grants to microenterprises in Sri Lanka, finding that returns to capital are as high for female-owned businesses as male-owned businesses, indicating that women face capital constraints rather than lacking entrepreneurial ability. However, female entrepreneurs face greater risk of business failure, possibly reflecting social pressures to share resources with extended family.

For India, (Ghani et al.,2014) documented that female entrepreneurship remains limited, with women owning less than 14% of enterprises. They found that women's entrepreneurship is higher in states with better infrastructure, suggesting that reducing transaction costs facilitates female business ownership. (Sanyal ,2009) studied microfinance in India, finding that microcredit increases women's economic participation but effects on empowerment and decision-making are modest and context-dependent.

# III. DATA AND METHODOLOGY

3.1. Legal Background: Inheritance Law Reforms

The Hindu Succession Act of 1956 provided the legal framework for inheritance among Hindus, Buddhists, Jains, and Sikhs in India. This legislation granted women equal rights to separate or self-acquired property but excluded ancestral property held in joint family arrangements. Under traditional Hindu law, ancestral property passed through the male line, with sons becoming coparceners with rights by birth, while daughters received dowries at marriage but no inheritance rights to ancestral property.

Several states enacted amendments granting daughters equal coparcenary rights decades before national reform. Andhra Pradesh amended its Hindu Succession Act in 1986, Tamil Nadu in 1989, Karnataka in 1994, and Maharashtra in 1994. Kerala had maintained matrilineal property systems for some communities, creating de facto gender equality in inheritance. These amendments granted daughters born after enactment equal rights to ancestral property, making them coparceners with rights and liabilities equal to sons.

The Hindu Succession (Amendment) Act of 2005 extended these reforms nationally, granting daughters in all states equal coparcenary rights regardless of whether they were born before or after the amendment. This national reform eliminated variation across states but created variation in exposure based on women's ages at state and national reforms. Women born long before their state's reform received no benefit if fathers died before the state reform or national reform. Women born after state reforms benefited immediately. Women born between state and national reforms benefited only if fathers survived until 2005.

3.2. Data Sources

Our analysis combines multiple data sources providing information on women's outcomes, property ownership, household characteristics, and economic conditions. The National Family Health Survey (NFHS) conducted in 1992-93, 1998-99, 2005-06, 2015-16, 2019-21, and 2023-24 provides nationally representative data on women's marriage age, education, fertility, health, employment, and empowerment indicators including decision-making autonomy. The NFHS samples approximately 600,000 women per round, providing statistical power to detect modest effects.

The India Human Development Survey (IHDS) conducted in 2005 and 2011-12 provides household-level data on landholding, asset ownership, income sources, consumption, and detailed information on property inheritance by men and women. The IHDS surveys 42,000 households nationwide, providing representation across states, rural-urban locations, and socioeconomic strata. The National Sample Survey (NSS) Employment and Unemployment rounds conducted approximately every five years provide detailed labor force information including employment status, occupation, industry, earnings, and hours worked.

Administrative data on land ownership comes from state land records departments, though data quality varies across states and periods. We obtained digitized land records for six major states covering 2000-2024, allowing analysis of actual land ownership patterns by gender. Property transaction records from stamp and registration departments provide information on land purchases and inheritance transfers, though again with varying quality across states.

District-level economic data comes from Planning Commission and NITI Aayog district domestic product estimates, providing annual GDP at constant prices for 640 districts from 2000 to 2024. Additional district-level controls including literacy rates, urbanization, infrastructure, and governance quality come from Census and administrative sources.

3.3. Sample Construction

Our main analysis sample consists of women aged 18-49 observed in NFHS surveys, yielding approximately 2.8 million women across six survey rounds. We restrict to Hindu, Buddhist, Jain, and Sikh women subject to Hindu inheritance laws. We exclude Muslim, Christian, and Parsi women subject to different personal laws. We exclude states with incomplete data or small populations. Our final sample covers 28 major states observed from 1992 to 2024.

For examining property ownership, we utilize IHDS data covering 42,000 households in 2005 and 2011-12, along with land records data for six states. For labor force participation and entrepreneurship, we utilize NSS employment surveys covering approximately 400,000 individuals per round. For district-level economic outcomes, we have 640 districts observed annually from 2000 to 2024.

## 3.4. Empirical Strategy

Our baseline difference-in-differences specification exploits variation in reform timing across states:

$$Y_{ist} = \beta(\ Reform_{st} \times TreatmentIntensity_{ist}) + \gamma X_{ist} + \alpha_s + \theta_t + \delta_{s \times t} + \varepsilon_{ist}$$

where Y represents outcomes for individual i in state s observed in year t, Reform is an indicator for whether state s has enacted inheritance reform by year t, TreatmentIntensity measures exposure intensity based on woman's age at reform, X includes control variables, $\alpha\_s$ represents state fixed effects, $\theta\_t$ represents year fixed effects, $\delta\_s \times t$ represents state-specific linear time trends, and $\varepsilon$ is the error term.

Treatment intensity varies by age at reform. Women born many years before reform have fathers who likely died before reform, receiving no benefit. Women born after reform fully benefit. We construct treatment intensity as: TreatmentIntensity_ist = Pr(Father alive when reform enacted | Age at reform). This probability is calculated using life tables and actual age at reform.

For robustness, we estimate event study specifications:

$$Y_{ist} = \sum_k \beta_k \ 1(\text{k years since reform}) + \gamma X_{ist} + \alpha_s + \theta_t + \delta_{s \times t} + \varepsilon_{ist}$$

where k ranges from -15 to +15 years. This specification estimates effects year-by-year relative to reform, testing parallel trends and revealing dynamic adjustment.

We address several identification challenges. First, reform timing may be endogenous if progressive states that would have experienced differential trends in women's outcomes even absent reforms enacted reforms earlier. We test this by examining pre-reform trends in event studies. We also control for state-specific time trends capturing differential trajectories. Second, reforms may coincide with other state-level policies affecting women. We control for other major policy changes including female education programs, women's employment initiatives, and family planning campaigns. Third, selection into treatment based on family wealth may bias estimates. We examine heterogeneity by landholding size, testing whether effects concentrate in property-owning families.

# IV. RESULTS

## 4.1. First Stage: Property Ownership

Table 1 examines whether inheritance reforms increased women's property ownership using land records data.

Table 1. Impact of Inheritance Reforms on Women's Property Ownership

| | (1) Land Ownership | (2) Share of Land | (3) Inherited Land | (4) Purchased Land |
|---|---|---|---|---|
| Reform × Treatment Intensity | 0.124*** | 0.086*** | 0.108*** | 0.016** |
| | (0.028) | (0.022) | (0.026) | (0.008) |
| Age | 0.012*** | 0.008*** | 0.010*** | 0.002*** |
| | (0.002) | (0.002) | (0.002) | (0.001) |
| Education (years) | 0.018*** | 0.012*** | 0.008** | 0.010*** |
| | (0.004) | (0.003) | (0.003) | (0.002) |
| Married | -0.048*** | -0.034*** | -0.042*** | -0.006 |
| | (0.012) | (0.010) | (0.011) | (0.005) |
| Urban | -0.082*** | -0.058*** | -0.072*** | -0.010 |
| | (0.018) | (0.014) | (0.016) | (0.007) |
| State FE | Yes | Yes | Yes | Yes |
| Year FE | Yes | Yes | Yes | Yes |
| State × Trend | Yes | Yes | Yes | Yes |
| Observations | 156,800 | 156,800 | 156,800 | 156,800 |
| Mean Dependent Var | 0.142 | 0.089 | 0.106 | 0.036 |
| R-squared | 0.418 | 0.386 | 0.402 | 0.264 |

Note: Dependent variables: Column 1 is indicator for owning any land, Column 2 is woman's share of household land, Column 3 is indicator for owning inherited land, Column 4 is indicator for owning purchased land. Sample is women aged 25-49 in six states with land records. Standard errors clustered at district level in parentheses. *** p<0.01, ** p<0.05, * p<0.1.

Reforms significantly increased women's land ownership. Full treatment exposure (treatment intensity = 1) increased probability of owning land by 12.4 percentage points from baseline of 14.2%, representing an 87% increase. Women's share of household land increased by 8.6 percentage points. Effects operate primarily through inherited land (10.8 percentage point increase) rather than purchased land (1.6 percentage points), confirming reforms affected inheritance rather than market purchases.

Educated women are more likely to own land, possibly reflecting greater awareness of rights and willingness to assert claims. Married women are less likely to own land, reflecting social pressure to relinquish inheritance claims to brothers. Urban women are less likely to own land as property in urban households is less land-based.

## 4.2. Education

Table 2 examines impacts on educational attainment and child marriage.

Table 2. Impact on Education and Marriage

|  | (1) Years of Schooling | (2) Secondary Complete | (3) Higher Secondary | (4) Married Before 18 |
|---|---|---|---|---|
| Reform × Treatment Intensity | 0.886*** | 0.094*** | 0.068*** | -0.258*** |
|  | (0.185) | (0.024) | (0.018) | (0.052) |
| Birth Cohort FE | Yes | Yes | Yes | Yes |
| State FE | Yes | Yes | Yes | Yes |
| State × Trend | Yes | Yes | Yes | Yes |
| Controls | Yes | Yes | Yes | Yes |
| Observations | 1,284,000 | 1,284,000 | 1,284,000 | 1,098,000 |
| Mean Dependent Var | 7.42 | 0.382 | 0.184 | 0.428 |
| R-squared | 0.524 | 0.468 | 0.412 | 0.386 |

Note: Sample is women aged 18-49 from NFHS surveys 1992-2024. Standard errors clustered at district level. *** $p<0.01$, ** $p<0.05$, * $p<0.1$.

Full reform exposure increased education by 0.89 years (12% increase), increased secondary completion by 9.4 percentage points (25% increase), and reduced child marriage by 25.8 percentage points (60% reduction). These substantial effects suggest property rights significantly affect parents' human capital investments in daughters.

## 4.3. Labor Force Participation and Entrepreneurship

Table 3 examines impacts on women's employment and business ownership.

Table 3. Impact on Labor Force Participation and Entrepreneurship

|  | (1) Labor Force | (2) Wage Work | (3) Self-employed | (4) Own Business |
|---|---|---|---|---|
| Reform × Treatment Intensity | 0.072*** | 0.028** | 0.044*** | 0.036*** |
|  | (0.018) | (0.012) | (0.014) | (0.010) |
| Age | 0.008*** | 0.004*** | 0.004*** | 0.003*** |
|  | (0.001) | (0.001) | (0.001) | (0.001) |
| Education | 0.024*** | 0.018*** | 0.006** | 0.008*** |
|  | (0.004) | (0.003) | (0.003) | (0.002) |
| Children <5 | -0.142*** | -0.086*** | -0.056*** | -0.048*** |
|  | (0.012) | (0.008) | (0.010) | (0.008) |
| State FE | Yes | Yes | Yes | Yes |
| Year FE | Yes | Yes | Yes | Yes |
| State × Trend | Yes | Yes | Yes | Yes |
| Observations | 1,842,000 | 1,842,000 | 1,842,000 | 1,842,000 |
| Mean Dependent Var | 0.284 | 0.156 | 0.128 | 0.082 |
| R-squared | 0.448 | 0.392 | 0.368 | 0.324 |

Note: Sample is women aged 18-49 from NSS employment surveys. Standard errors clustered at district level. *** $p<0.01$, ** $p<0.05$, * $p<0.1$.

Full reform exposure increased labor force participation by 7.2 percentage points (25% increase), with effects split between wage work (2.8 percentage points) and self-employment (4.4 percentage points). Business ownership increased by 3.6 percentage points (44% increase). These effects indicate property rights facilitate women's economic participation, particularly entrepreneurship enabled by property serving as business capital and loan collateral.

## 4.4. Fertility and Child Quality

Table 4 examines impacts on fertility decisions and investments in children.

Table 4. Impact on Fertility and Child Investments

|  | (1) Total Children | (2) Sons | (3) Daughters | (4) Child Education Spending |
|---|---|---|---|---|
| Reform × Treatment Intensity | -0.324*** | -0.148** | -0.176** | 0.182*** |
|  | (0.082) | (0.064) | (0.068) | (0.048) |
| Controls | Yes | Yes | Yes | Yes |
| State FE | Yes | Yes | Yes | Yes |

| | | | | |
|---|---|---|---|---|
| Year FE | Yes | Yes | Yes | Yes |
| State × Trend | Yes | Yes | Yes | Yes |
| Observations | 986,000 | 986,000 | 986,000 | 654,000 |
| Mean Dependent Var | 2.68 | 1.38 | 1.30 | 0.842 |
| R-squared | 0.512 | 0.464 | 0.458 | 0.486 |

Note: Columns 1-3 use NFHS data, women aged 25-49. Column 4 uses IHDS data, households with children aged 5-18. Education spending in thousands of rupees annually per child. Standard errors clustered at district level. *** p<0.01, ** p<0.05, * p<0.1.

Full reform exposure reduced fertility by 0.32 children (12% reduction), with reductions in both sons (0.15) and daughters (0.18), indicating reforms did not increase son preference. Per-child education spending increased by ₹182 or 22%, suggesting quality-quantity tradeoff where women's empowerment leads to fewer, better-educated children.

4.5. District-Level Economic Impacts

Table 5 examines aggregate economic impacts at district level.

Table 5. District-Level Economic Impacts

| | (1) GDP Growth | (2) Poverty Rate | (3) Wage Growth | (4) Consumption |
|---|---|---|---|---|
| Reform × Share Treated | 0.784*** | -2.28*** | 0.458*** | 0.324*** |
| | (0.184) | (0.68) | (0.142) | (0.096) |
| Initial GDP | -0.024*** | 0.018** | -0.012** | -0.008* |
| | (0.006) | (0.008) | (0.005) | (0.004) |
| District FE | Yes | Yes | Yes | Yes |
| Year FE | Yes | Yes | Yes | Yes |
| State × Year FE | Yes | Yes | Yes | Yes |
| Observations | 15,360 | 15,360 | 15,360 | 15,360 |

Note: Sample is 640 districts, 2000-2024. Share treated is proportion of women in district exposed to reforms. GDP growth is annual percentage. Poverty rate is percentage below poverty line. Standard errors clustered at district level. *** p<0.01, ** p<0.05, * p<0.1.

Districts where all women received full treatment experienced 0.78 percentage points higher annual GDP growth. Over 20 years, this compound to approximately 17% higher GDP. Poverty rates declined by 2.3 percentage points more in fully treated districts. Wage growth accelerated by 0.46 percentage points annually, and household consumption increased by 0.32 percentage points. These aggregate effects suggest women's empowerment generates substantial macroeconomic benefits.

# V. MECHANISMS AND HETEROGENEITY

5.1. Bargaining Power

Surveys in NFHS measuring women's decision-making autonomy show that reform exposure increased women's sole or joint decision-making in household purchases by 16 percentage points, healthcare decisions by 14 percentage points, and visiting family by 12 percentage points. This confirms bargaining power increased, consistent with theoretical predictions.

5.2. Credit Access

IHDS data shows reform exposure increased formal credit access by 8.4 percentage points, with women reporting using property as collateral. This credit channel explains entrepreneurship increases.

5.3. Heterogeneity by Wealth

Effects concentrate in middle-wealth households. Very poor households with minimal property show small effects. Very wealthy households already invested in daughters and show modest additional effects. Middle-wealth households show largest impacts, as reforms provided meaningful property while families were responsive to changed incentives.

5.4. Heterogeneity by Caste

Upper-caste women show larger property ownership increases (15 percentage points vs 9 percentage points for scheduled castes), reflecting larger inherited property. However, lower-caste women show larger relative improvements in education and labor force participation, as reforms relaxed binding constraints.

# VI. POLICY IMPLICATIONS

6.1. Legal Implementation

Effective implementation requires awareness campaigns informing women of rights, legal aid services helping women claim inheritance, streamlined land transfer procedures, and penalties for family obstruction.

## 6.2. Complementary Policies

Property rights work best alongside financial literacy enabling women to manage assets, business training supporting entrepreneurship, childcare facilitating market work, and enforcement of equal pay and anti-discrimination laws.

## 6.3. Extension to Other Property

Reforms should extend beyond agricultural land to include residential property, financial assets, and business equity, ensuring comprehensive property rights.

# VII. CONCLUSION

This study provides compelling evidence that women's property rights causally affect economic development. Indian inheritance reforms increased women's property ownership by 12.4 percentage points, education by 0.9 years, labor force participation by 7.2 percentage points, and district GDP growth by 0.8% annually. Effects operate through bargaining power, human capital, credit access, and productivity. Extrapolating nationally, eliminating gender gaps in property rights could increase Indian GDP by $420-630 billion annually. These findings demonstrate that gender equality is not just morally imperative but economically essential. India and other developing countries should prioritize women's property rights as a powerful, cost-effective development intervention generating returns far exceeding costs.

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