

Types of Employment and Subjective Well-being among Rural Residents: Evidence from a Multivalued Treatment Effects Approach

Abstract

Understanding the role of employment types in shaping rural well-being is vital for sustainable rural development in China. While many rural households rely on off-farm income, the psychological implications of different employment arrangements remain underexplored. This study investigates the effects of employment types on the subjective well-being of rural residents. We categorise employment into three types: non-participation in off-farm work, local off-farm work participation, and migrated off-farm work participation. Farmers' subjective well-being is measured using five indicators: life satisfaction, happiness, anxiety, loneliness, and depression. We employ a multivalued treatment effects model to estimate survey data collected from 648 households in Shandong, Henan, and Hebei provinces of China. The results show that relative to non-participation in off-farm work, participation in migrated off-farm work significantly improves subjective well-being by increasing life satisfaction and happiness but reducing anxiety and depression. In contrast, local off-farm employment exhibits limited or even negative effects on psychological outcomes compared to both non-participants and migrants. The findings highlight the heterogeneity of subjective well-being outcomes associated with employment choices and emphasise the importance of considering psychosocial dimensions in rural labour policy design.

Keywords: Employment type; Subjective well-being; Rural China; Migrant work; Multivalued treatment effects