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# **Credit Author Statement**

Authors contributed to this work as follows: **Ke Xu** (conceptualization, questionnaire development, methodology, data curation, software, formal analyses, writing original draft, visualization, writing review and editing, validation). **Changbin Yin** (supervision, writing original draft, resources, project administration, funding acquisition). **Boyang Shi** (data curation, writing-review and editing, validation). **Jie Pang** (data visualization, writing-review and editing).

The Effect of Participation in Ecological Public Welfare Positions on Farmers' Household Income Composition and the Internal Mechanism

# GRAPHICAL ABSTRACT



# The Effect of Participation in Ecological Public wenare Positions on Parmers' House-

hold Income Composition and the Internal Mechanism

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# ABSTRACT

Keywords:

Ecological public welfare positions, Farmers' household income, Payment for environmental services, Ecological poverty alleviation, Propensity score matching, Conditional process analysis in ecological conservation work, is an essential practical innovation for China to achieve mutual benefits in ecological protection and poverty alleviation. This study explored the effect of participation in ecological public welfare positions (PEPWP) on farmers' household income composition and clarified the internal mechanism by propensity score matching (PSM) and conditional process analysis, based on the field data from 508 formerly registered impoverished households in Jiangxi Province and Hubei Province, China. Results showed that (1) PEPWP was characterized by "self-selection", which significantly increased farmers' wage level, planting income in Jiangxi Province, and husbandry income in Hubei Province after the elimination of selectivity bias. However, the effect on other sub-incomes was insignificant. (2) There was a moderated mediating model between PEPWP and agricultural income, which demonstrated that farmer's development motivation (FDM) played a partially mediating effect between PEPWP and FDM, and the frequency of skill training (FST) moderated the first part path of this model. (3) EPWP policy steadily increased farmers' income at the vulnerable livelihood level and greatly improved the regional environment. At the same time, it also played an active role in stimulating FDM and rural governance. Conclusions indicated that it was significant to diversify the channels for promoting growth in rural incomes, and pay attention to skill training and the multi-functional role of ecological custodians, in order to activate FDM and assist farmers in eradicating poverty sustainably.

The ecological public welfare positions policy, which involves low-income people

# 8 1. Introduction

9 China has accomplished poverty alleviation by 2020, while 10 years ahead of schedule in achieving the UN 2030 10 Agenda for Sustainable Development's poverty reduction goal. In China, there were 60% of poverty-stricken population,

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Abbreviations: EPWP, Ecological Public Welfare Position; PEPWP, Participation in Ecological Public Welfare Positions; EPA, Ecological Poverty Alleviation; PES, Payment for Environmental Services; FST, Frequency of Skill Training; FDM, Farmer's Development Motivation; PSM, Propensity Score Matching.

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80% of severely poverty-stricken population, 14 concentrated destitute areas, and more than 500 state-supported impoverished counties, which distributed in ecological function zones or ecologically fragile regions (Department of Household Surveys National Bureau of Statistics of China, 2016). The UN-Sustainable Development Goals (SDGs) have proposed two critical issues for poverty reduction in conjunction with environment protection<sup>1</sup>. In response, Chinese government has developed a series of Payment for Environmental Services (PES) projects to promote the concept that "lucid waters and lush mountains are invaluable assets" in practice, and to assist persons in low-income regions to develop a path where ecological protection and livelihood enhancement are mutually reinforcing (Li and Imura, 2007).

18 Ecological public welfare position (EPWP) is an essential initiative by the Chinese government to consolidate the 19 achievements of poverty alleviation and promote rural revitalization, especially representing an important practice innovation in the PES program. EPWP policy based on the idea of "work for welfare" by employing qualified rural low-income 20 21 people as ecological custodians. It can not only provide employment opportunities nearby, but also motivate farmers, com-22 munity groups, conservation stations, and other organizations to participate in ecological conservation work (Gonedelé Bi et al., 2019). From 2016 to 2020, central government has arranged funds of 20.1 billion CNY and hired 1.1 million ecolog-23 ical custodians in 22 provinces across the central and western China, accurately addressing more than 3 million rural 24 25 low-income people to escape poverty, as well as creating nearly 60 million ha of forest and grassland resources to the area under management<sup>2</sup>. The value of ecosystem services in farmers' livelihood-vulnerable regions has been successfully trans-26 27 formed into livelihood capitals.

EPWP policy provides farmers with more employment opportunities than simply cultivating. As an ecological poverty 28 29 alleviation (EPA) measure, EPWP is, to a considerable extent, a solution to the problem of poverty alleviation for micro-farmers. Actually, income is at the core of farmers' well-being, which is the critical indicator for measuring poverty and 30 31 achieving sustainable livelihoods (Begazo Curie et al., 2021; Cao et al., 2017; Shen et al., 2015). It is important to investigate the effect of participation in ecological public welfare positions (PEPWP) on farmers' household income composition 32 33 and reveal the internal mechanism in order to further improve EPWP policy. Existing researches have provided useful en-34 lightenment and reference, however, there are still several shortcomings. Firstly, most of them concentrated on the influence 35 of PES on farmers' total income and lacked specific analysis of various sources of sub-incomes. Nevertheless, the exploration on participation in a new position involves the reallocation of personal time and family human resources, and the effect 36 of PEPWP on income composition is unclear. Therefore, the first objective of this study is to analyze the effect of PEPWP 37 38 on farmers' household sub-incomes from the perspective of income composition. In addition, this paper had regard to the 39 "self-selection" characteristics and farmers' heterogeneity, and used propensity score matching (PSM) to cope with the bias 40 problems caused by traditional OLS, multi categorical logit, DID, and other estimation methods.

41 Secondly, the mechanism of PES's effect on income has not been thoroughly investigated, the process of participation

<sup>&</sup>lt;sup>1</sup> Sustainable Development Report 2022 (https://www.sdgindex.org/)

<sup>&</sup>lt;sup>2</sup> Consolidate the achievements of ecological poverty alleviation (http://www.forestry.gov.cn/main/6193/20220302/153917238546723.htm

42 policy's influence on income has not been revealed, lack of in-depth analysis of possible mediating or moderating mecha-43 nisms. EPWP policy emphasized the significance of providing jobs and skill training to stimulate farmers' development 44 motivation (FDM) so as to steadily promote growth in rural incomes (Wu and Jin, 2020). Therefore, it is the second con-45 cern on this study to analyze the internal mechanisms of PEPWP on income.

It is necessary, significant, and innovative to systematically reveal the influence of PES on income and the internal 46 47 mechanism. This study explored the potential for participation in PES to increase farmers' household income and clarified 48 the reason and mechanisms for boosting rural income. Identifying the effect of PEPWP on farmers' household income composition and the internal mechanism. Furthermore, it expanded the research perspective and analyzed the effect of 49 50 PEPWP on various sources of sub-incomes by propensity score matching (PSM). In addition, it controlled for both estimation bias and heterogeneity of treatment effects due to "self-selection" endogeneity, which ensured conclusions were more 51 accurate and reliable. Moreover, it introduced conditional process analysis (Hayes, 2017) and constructed a theoretical 52 53 framework of the effect of PEPWP on income, which complemented and improved the research on participation in PES to 54 promote growth in rural resident incomes.

#### 55 2. Theoretical background and hypotheses

#### 56 2.1. Description of EPWP

As an important practice innovation in the development-oriented support policy, the concept of public work was ini-57 58 tially stated in Amartya Sen's welfare development concept (Sen, 2000), who advocated that work was an effective way to 59 promote the freedom of human development and to strengthen the viability of individuals. EPWP policy employs ecological custodians to conduct safety patrols and environmental protection publicity for ecological resources such as forests, 60 61 wetlands, grasslands, and sandy areas, so as to timely stop deforestation, reclamation, quarrying, and hunting of wild animals in the protected areas. It not only could form an ecological resource management network with clear responsibilities, 62 but also provide employment opportunities for low-income people in ecologically fragile regions (Zuo et al., 2018). It is 63 conducive to the integration of environmental protection, ecological revitalization, rural governance, social security, and 64 employment of rural labor, and contributes to the consolidation of poverty eradication and the implementation of the rural 65 revitalization strategy. 66

EPWP requires that areas of responsibility be designated based on the difficulty of management, according to the criteria of 66.67-133.4 ha per capita in principle. Ecological custodians need to patrol for more than 22 days per month. There are several requirements for selecting ecological custodians, who belong to formerly registered impoverished households, have the ability to work, and don't have jobs outside the county.

Sustainable cooperation between government, social organizations (such as NGOs, etc.), and ecological protection stations (such as forestry stations, etc.) is required to ensure the efficient implementation of EPWP. The first step includes the work systems and funding support by both government and social organizations. Then, set up the EPWP with the village ecological conservation and social development through the county-level departments or village committees. Following that,
community villagers compete for positions and perform their duties publicly. Next, ecological protection stations and social
organizations are commissioned to participate in providing regular skill training and supervision in the form of purchased
services (Zuo et al., 2018). The basic principles and framework of policy implementation are illustrated in Fig. 1.



78 79

Fig. 1. Basic Implementation Principles and Frameworks of EPWP.

# 80 2.2 The environmental-economic-social benefits of PES

## 81 2.2.1 Summary of the impact of PES in different countries

82 Despite the lack of robust empirical evidence to assess the benefits of PES to environmental and socioeconomic issues,

83 this study has attempted to review the existing researches that contribute to this discussion. Overall, researches showed that

84 PES has positive effects on income, environment, and society (Table 1).

85

<b>Table 1</b> Summary of the impact of PES in different co	ountries.
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Country	Program	Impact on Income	Impact on environment or society		
Thailand	Forest ranger (O'Don-	PES increased wage income of	Thai forest rangers have largely established with the local peo-		
	nell, 2014)	farmers.	ple their legitimacy to regulate the environment.		
	Sloping Land Conver- sion Program (SLCP) <sup>3</sup>	The central government has invested	More than 33 million ha of cropland has been returned to forest		
China		more than 500 billion CNY, directly	and grassland, contributing more than 4% of the global net		
		benefiting 158 million farmers.	green growth area.		
Dhilippings	Mangrove forest pay-	Mangrove carbon PES could con-	PES may require multi-level and multi-actor governance with		
Philippines	ments for ecosystem	tribute an additional 2.3-5.8% to	local participation.		

<sup>3</sup> Ten major events of Sloping Land Conversion Program in 2020. (http://www.forestry.gov.cn/main/216/20210113/100028109119067.html)

		Journal Pre-pro	oof		
	services (Thompson et	current village income.			
	al., 2017)				
	forest environmental	PES programs expand income			
Vietnam	services (PFES) (Pham	sources, total income, and income	PES has a positive effect on enhancing conservation attitude:		
	et al., 2021)	per laborer.			
	Wetland mitigation	Promoting wetland compensation	Annual wetland loss decreased from $45.8 \cdot 10^4$ acres		
USA	bank (Dahl, 1990; Dahl,	through market behavior	(1955-1975) to $1.38 \cdot 10^4$ acres (2004-2009).		
	2011)	unough market benavior			
	Program for Hydrolog-		DES program raised awareness of forest accessitem service		
Mexico	ical Environmental	PES has a neutral effect on liveli-	requision and forest management training played an import		
	Services (PSAH) (Ar-	hoods.	role.		
	riagada et al., 2018)				
	Programa por Pago de				
	Servicios Ambientales	PES paid cash to farmers and de-	PES helped to protect forest resources and reduced deforesta		
Costa Rica	(PPSA) (Murillo et al.,	veloped sustainable agroforestry	tion.		
	2012)	programs.			
	Deforestation and forest				
	degradation (PEDD+)	<b>PES</b> paid each to farmers and sup	PES helped to reduce deforestation and greenhouse gas emis		
Uganda	(Less a less dues at a)	r ES part cash to farmers and sup-	TES helped to reduce deforestation and greenhouse gas enns		
	(Jayachandran et al.,	ported sustainable agriculture.	sions.		
	2017)				

#### 86 2.2.2 Comparison of EPWP and PES

Researches on the impact of participation in EPWP, a specific PES program, were relatively sparse. Cash compensation and EPWP compensation were complementary, as EPWP compensation only had a significant effect on low-income farmers, while cash compensation had a significant effect on middle- and high-income groups (Wu and Jin, 2020). In some rural areas of China, EPWP was an effective way to increase farmers' social participation, which could increase farmers' income and motivation for ecological protection (Zhang et al., 2022).

As an important practical innovation in the development-oriented support policy, EPWP steadily increased the income of farmers at the vulnerable livelihood level and greatly improved the regional environment, while it also played an active role in stimulating FDM and rural governance. These advantages will be further described in discussion.

## 95 **2.3 Mechanism analysis and research hypothesis**

### 96 2.3.1 The effect of PEPWP on farmers' household income composition

97 EPA is an assistance approach based on the concept of green development that promotes the coordination of environmental protection with the development of the population's sustainable livelihood capability in farmers' liveli-98 99 hood-vulnerable regions (Fisher et al., 2014; Sandhu and Sandhu, 2014). As a critical practice of EPA, the mechanism of 100 EPWP can be described as the central government providing funds to enroll impoverished people with labor ability for ecological patrol, which closely integrates ecological preservation with poverty alleviation. PEPWP is a process of realloca-101 tion of personal time and family human resources. As rational economic people, farmers will conduct a cost-benefit analy-102 103 sis to determine the predicted net benefit of participation, which is a key factor in whether to join in. The constraint is labor time. Farmers' option as ecological custodians means foregoing the opportunity to work locally or outside, which is the cost 104

of participation. The primary effect of PEPWP is a rise in wage income. In addition, farmers involved in EPWP can be part-time planting and breeding at the same time. According to the management and protection agreement, ecological custodians and their family members can carry out a certain scale of characteristic agricultural planting and breeding without destroying ecological resources. Moreover, ecological custodians can access a variety of agricultural technology training, which can help them refine personal abilities while broadening horizons, and the family's revenue may improve as a result involving planting, forestry, and husbandry. Generally, PEPWP may increase farmers' household income accompanying with sub-income diversification.

#### 112 **2.3.2 Internal mechanism of the effect of PEPWP on farmers' household income**

113 Recently, the goal of pro-poor governance has gradually transformed from poverty alleviation to livelihood empowerment (Wang et al., 2019), and the focus on poverty also shifted from income to individual endowments. Poverty manifested 114 as low income, however, the underlying causes are the limitation of earning capacity and development opportunities (Sen, 115 1982). EPWP policy replaces the government's unconditional transfer payments with "work for welfare", which is a shift 116 from welfarism to workism. It avoids the problem of welfare dependence that tends to arise in poverty alleviation work and 117 helps low-income farmers escape "poverty trap". As a development-oriented assistance, EPWP policy is, in essence, an 118 "empowerment" (Handler, 2004) that enables people who lack employment opportunities to gain social acceptance and 119 120 recognition through labor. EPWP policy has significantly improved farmers' survival guarantee ability, production devel-121 opment ability, and property revenue ability through skill training and successive support for ambition and wisdom. And the improvement of personal ability will have a positive effect on household income. Specifically, there may be a mediating 122 and moderating mechanism for the effect of PEPWP on farmers' household income. 123

124 First, FDM played a mediating effect. The process of development motivation formation is a system-led, spatially-scoped, family-based process of autonomous development of individuals in a specific context. The core is the accumula-125 tion of new capabilities and the improvement of the matching guarantee system. Farmers' development capacity is farmers' 126 127 ability to proactively gather information and take activities to improve their own and their family's living standards in a market economy, and ultimately to continuously improve themselves (Kumari and Khanduri, 2019). Farmers' mental dis-128 129 tress and anxiety can be alleviated by PEPWP. Simultaneously, social interactions with other ecological custodians, com-130 munity groups, conservation stations, and other organizations would have a "social norm" effect, i.e., farmers would recog-131 nize that they should abandon their reliance on the government and activate their labor spirit. It can be seen that PEPWP can improve FDM through the "positive psychological effect" and "social norm effect", and improve farmers' household 132 133 income indirectly.

Second, frequency of skill training (FST) played a moderating effect. The cultivation of FDM requires multi-dimensional approaches, among which the core factor is education (Sun and Chen, 2019). Fan and Zhu (2016) discussed the way to innovate education and training mechanisms to cultivate "high-quality farmers". The level of skill-based human

capital is one of the "critical thresholds" for income generation for rural low-income groups (Mincer, 1991). Information 137 access and risk response are prominent shortcomings in FDM. Skill training brings the "information effect", which is the 138 139 most effective way to overcome farmers' information constraints. Skill training provides farmers with options to change 140 their lifestyles and production conditions, while it provides opportunities for farmers to acquire and learn new ideas and 141 skills (Clarkson et al., 2022). In practice, the academic institution will provide pre-service training to the newly appointed 142 ecological custodians, to promote the better performance of their duties and responsibilities through the explanation of en-143 vironmental protection laws and regulations, and patrol duties. In addition, ecological custodians are also trained in agri-144 cultural techniques to help farmers access production and management knowledge, through knowledge dissemination and post-technology adoption results presentation sessions (Gautam et al., 2017). As a positive factor, Generally, PEPWP can 145 broaden farmers' horizons, make more effective use of new technologies, improve the efficiency of production operations, 146 and increase their income and the capacity for self-development. 147

The effect of PEPWP on income is mainly reflected in income diversification, in which there are mediating and moderating mechanisms. The influence path is illustrated in Fig. 2. Accordingly, this study proposed the following research hypothesis.

- 151 H1: PEPWP can significantly increase farmers' household income accompanying with sub-income diversification.
- 152 H2: FDM played a mediating effect between PEPWP and household income.
- 153 H3: FST positively moderated the mediating effect of FDM between PEPWP and household income.



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- 156 **3 Research Design**
- 157 3.1 Data Sources

The study is based on county-level data collection from August to September 2020, with Xunwu and Anyuan counties 158 of Ganzhou city in Jiangxi Province, and Yunyang and Fang counties of Shiyan city in Hubei Province as study regions. 159 The study regions are representative of China and could be used as a reference for similar ecologically fragile and 160 low-income regions in the Asia-Pacific region or in a wider range for three reasons. First, study regions are practice regions 161 of PES with rich natural resources. Ganzhou City is located in the upper reaches of the Ganjiang River, the Yangtze River 162 system, and is an important ecological barrier in the Poyang Lake region. Shiyan City is located in the Qinba Mountainous 163 Region and is the water source of the National South-North Water Diversion Project. Second, they are typical application 164 areas of EPA and EPWP, where regional environmental issues and people's livelihood issues are intertwined. Third, the two 165 regions are typical demonstration counties in the EPWP policy pilot. However, there are significant differences in wages, 166 with 10,000 CNY and 4,000 CNY per capita per year in Jiangxi Province and Hubei Province, respectively, which could 167 represent various level regions of ecological custodian wages in China. The wage in Hubei Province is subsidized by the 168 central government, while Jiangxi Province is subsidized by the central and local governments. And part of local subsidies 169 is extracted from the public welfare forest subsidies (the public welfare forest subsidy standard is 315 CNY/ha, the actual 170 distribution to farmers is 267.75 CNY/ha, and the difference is used to subsidize wages). Comparing the two provinces, it is 171 found that the work intensity and requirements in Jiangxi Province are significantly higher than that in Hubei Province. 172

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Fig. 3. Study region and land use types.

A stratified random sample was used to select 21 townships in the study region, involving 52 villages. Interviews with county government agencies were required beforehand to obtain information on overall production, living conditions, and sub-income (Appendix Table 1). Subsequently, collect data in the form of questionnaires by face-to-face interviews with farmers. Because the threshold for participation in EPWP is formerly registered impoverished households<sup>4</sup>, this study selected 508 formerly registered impoverished households as the research sample, with an effective rate of 95.85%. The sample distribution is shown in Fig. 4.

<sup>&</sup>lt;sup>4</sup> Formerly registered impoverished households refer to the households registered as living under the poverty line in China before 2020.



Note: Xunwu and Anyuan are counties in Jiangxi Province, Yunyang and Fang are counties in Hubei Province.

This study examined the rationality of sample size, and the minimum sample size suitable for this study was assessed 184 according to the formula proposed by Agidew and Singh (2018). 185

$$n = \frac{N}{1 + N \cdot e^2} \quad (1)$$

Where N is the population size of the study area (unit: ten thousand people), n is the minimum sample size, and e is 187 5% accuracy. In 2019, the number of rural households in Hubei Province was 7.96 million and in Jiangxi Province was 5.98 188 million<sup>5</sup>. After calculation, the minimum number of sample households suitable for this study is 103, which verifies that the 189 190 sample is adequate.

3.2 Research methods 191

#### 3.2.1 Propensity score matching (PSM) 192

Farmers with various characteristics have different preferences for policies (Ma and Wen, 2019). PEPWP is voluntary, 193 and it is up to the farmers to decide whether or not to participate rather than being randomly assigned. In identifying the 194 effect of PEPWP on income, participation as a dummy variable suffers from endogeneity due to self-selection. The use of 195 traditional OLS regression suffers from estimation bias, which affects the identification effect. PSM method can better 196 solve endogeneity estimation bias caused by sample self-selection and is used in policy evaluations (Gautam et al., 2017; 197 198 Liu et al., 2019). The basic idea is to construct a "counterfactual" analytical framework that minimizes sample bias by find-199 ing a control group that is most similar to the treatment group. In this study, we used PSM to identify the effect of PEPWP on farmers' household income composition to test H1. 200

Firstly, a simple baseline model was required: 201

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income<sub>i</sub>= $\alpha_0 + \alpha_1$  participation<sub>i</sub>+ $\alpha_2 X_i + \mu_i$  (2)

<sup>&</sup>lt;sup>5</sup> China Statistical Yearbook 2020 (http://www.stats.gov.cn/tjsj/ndsj/2020/indexch.htm)



Secondly, a counterfactual framework was introduced to approximately randomize the non-random data of PEPWP, that was, used the "propensity score" as the probability of participation, finding a score similar to that of participation among non-participating farmers of the control group, constructing an approximately randomized data. This study used the Logit model to estimate the propensity score  $p(X_i)$ , and the calculation formula was as follows:

211

$$p(Xi)=Pr(participation_i=1|X_i)=exp(\beta X_i)/[1+exp(\beta X_i)]$$
 (3)

The left side was the conditional probability fitting value, and the right side represented the cumulative distribution
function. X was a set of matching variables. β was the coefficient of matching variables.

Finally, the average treatment effect for the treated (ATT) of the treatment groups was calculated based on the matched sample, which meant the average difference between the factual income and the "counterfactual" income of participation:

216 
$$ATT = \frac{1}{N_1} \sum_{i:Di=1} (income_{1i} - income_{0i}) = E(income_i^1 | patrol_{i=1}) - E(income_i^0 | patrol_{i=1})$$
(4)

217 In the formula, income<sub>1i</sub> represented factual income; income<sub>0i</sub> was "counterfactual" income.

There are different matching methods for PSM. The results are usually compared, and if basically consistent, the results are robust. This study used k-nearest neighbor matching method (k=3), caliper matching (r=0.01) and kernel matching method for robustness testing.

## 221 **3.2.2 Moderated mediation model**

The regression coefficients were tested for significance by the Bootstrap method (resampled 5000 times). Compared with the stepwise regression method, the Bootstrap method has the following advantages, (1) directly tests the mediating effect without first testing whether the main effect of the independent variable on the dependent variable is significant, avoiding the influence of the "masking effect" on the results. (2) places the mediation analysis of the moderator at different levels in the same framework, avoiding the occurrence of missing variables. (3) test the mediating and moderating effects of binary dependent variables, which compensates for the deficiency that stepwise regression can only test continuous dependent variables.



229 230



### 231 3.3 Variable selection

#### Journal Pre-proof

#### 232 **3.3.1 Explained variables**

Farmers' household income includes total income and 7 sub-incomes, covering planting, forestry, husbandry, wage, off-site, local part-time job, and non-agricultural operation (see Appendix Table 2). Income variables are all in natural logarithmic form to reduce heteroscedasticity problems<sup>6</sup>.

#### 236 **3.3.2 Treatment variables**

Whether to participate in EPWP was set as a discrete binary variable. The relevant question was, "Do you serve as ecological custodians?" If the answer was "yes", the assignment was 1; otherwise, the assignment was 0.

## 239 **3.3.3 Matching variables and control variables**

According to Heckman et al. (1997), the selection of matching variables must impact both participation decision-making and income, but it should not be affected by participation behavior. On the basis of referring to other researches, this study selected basic characteristic variables, and household resource endowment variables, as matching variables for calculating propensity scores (Table 2). Among them, material capital was referenced by Li et al. (2007), which is a standardized score obtained based on the household housing situation and fixed assets (see Appendix B for calculation). Mediator, moderator, and control variables<sup>7</sup> were used in conditional process analysis.

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 Table 2 Definition of variables and statistical description of differences in means.

Variables			J	Jiangxi Province			Hubei Province		
		Variable description	DEDWD	Not	Variance	PEPW	Not	Variance	
			PEPWP	PEPWP	t-test	Р	PEPWP	t-test	
	1	Legenithm of total income	10.574	10.032	0 540***	9.977	9.417	0 560***	
	IIIytotal	Logarithin of total income	(0.52)	(0.648)	0.342	(0.695)	(0.786)	0.300	
	1	Legenithm of alerting income	6.543	4.094	2 4 4 0 * * *	2.302	1.689	0.612	
	IIIyplant	Logarithm of planting income	(4.068)	(4.268)	2.449	(3.444)	(3.135)	0.015	
lny <sub>fores</sub>	1	Logonithm of forestry in some	0.099	0	0.000	0.454	0.43	0.024	
	IIIy forest	Logarithm of forestry income	(0.92)	(0)	0.099	(1.816)	(1.689)	0.024	
	lny <sub>husb</sub>	Logarithm of husbandry income	2.444	2.957	0.512	3.887	1.52	2.367***	
Income			(3.74)	(3.745)	-0.313	(4.346)	(3.073)		
status	lny <sub>wage</sub>	Logarithm of wage income	9.227	1.635	7 502***	8.305	0.517	7 700***	
			(0.076)	(3.353)	1.392	(0.093)	(2.13)	/./00	
	lov	Logarithm of off site income	1.645	2.162	0.517	0.842	1.12	0.278	
	myoff	Logarithin of off-site income	(3.675)	(4)	-0.317	(2.557)	(3.05)	-0.278	
	lmv	Logarithm of local part-time job	5.442	4.323	1 110*	4.686	3.512	1 174*	
	III y part	income	(4.551)	(4.736)	1.119	(4.603)	(4.51)	1.1/4*	
	1	Logarithm of non-agricultural	0.491	0.668	0 177	0.389	0.416	0.027	
	III y opera	operation income	(2.161)	(2.431)	-0.177	(1.79)	(1.853)	-0.027	
Basic	A	Actual ago of interviewood	50.83	56.107	5 777***	55.2	58.343	2 1/2*	
Character-	Age	Actual age of filler viewees	(9.063)	(9.773)	-3.277***	(9.666)	(12.495)	-3.143*	

<sup>&</sup>lt;sup>6</sup> In order to avoid the situation that when the original income takes the value of 0, its natural logarithm is negative infinity, this study added 1 uniformly to the original income value and then takes the natural logarithm.

<sup>&</sup>lt;sup>7</sup> Control variables included age, gender, health, and education

		Jour	nal Pre-p	roof			() ( ( ))	
Istics of Interview-	Gender	0=female, 1=male	(0.175)	(0.134)	-0.013	(0.374)	(0.46)	0.134**
ees	Health	<ul><li>1=healthy, 2=slight illness does</li><li>not affect work, 3=chronic disease, weak working ability,</li><li>4=unable to work</li></ul>	1.327 (0.651)	1.804 (0.942)	-0.477***	1.9 (0.903)	2.469 (1.006)	-0.569***
	Education	<ul> <li>1=primary school and below,</li> <li>2=junior high school, 3=high school, 4=college,</li> <li>5=undergraduate and above.</li> </ul>	1.597 (0.628)	1.643 (0.699)	-0.046	1.44 (0.67)	1.42 (0.665)	0.02
	Training	The measurement of skill train- ing: Have you received training in employment skills, planting and breeding technology, wa- ter-saving irrigation, forestry management, etc.? 0=no, 1=yes	0.742 (0.439)	0.643 (0.483)	0.099	0.487 (0.501)	0.224 (0.418)	0.263***
	Skill	The measurement of non-agricultural labor skills: Do you have non-farm labor skills that generate economic income? 0=no, 1=yes	0.126 (0.333)	0.125 (0.334)	0.001	0.12 (0.326)	0.133 (0.341)	-0.013
	labor	Labor force size	2.579	2.554 (1.235)	0.025	2.407 (1.306)	2.294 (1.547)	0.113
	migrant	Population size of migrant workers	0.811 (1.254)	1.232 (1.027)	-0.421**	0.787 (0.945)	1.049 (1.445)	-0.262*
	land	Cultivated land area: actual household contracted cultivated land area (0.067ha)	5.224 (4.999)	4.139 (3.996)	1.085	3.989 (3.059)	4.039 (3.965)	-0.05
Household resource endowment	forest	Forest Land area: actual house- hold contracted forest land area (0.067ha)	20.196 (28.015)	20.378 (36.359)	-0.182	47.945 (96.43 8)	17.865 (23.951)	30.08***
	Social	Social connections: How much did your family spend on social connections last year? (10000 CNY/a)	2084.667 (2299.606)	1375.926 (1229.501)	708.741**	2452.3 65 (2969. 484)	2163.986 (2549.602)	288.379
	Material	Material capital: a standardized score obtained based on the household housing situation and fixed assets	0.779 (0.132)	0.721 (0.164)	0.058***	0.611 (0.149)	0.604 (0.128)	0.007
Mediator	FDM	Farmer's development motiva-	2.237	1.604	0.633***	2.361	1.408	0.953***
Moderator	FST	The frequency of skill training	(0.000) 2.516 (0.146)	(0.100) 1.482 (0.209)	1.034***	(0.009) 1.533 (0.153)	(0.033) 0.531 (0.105)	1.002***

Note: SE in parentheses, and \*\*\*, \*\*, \* are significant at 1%, 5%, 10% levels, respectively.

## 248 **3.3.4 Mediator**

247

249 This study defined the capacity corresponding to functional activities related to the quality of life-improvement and

250 production efficiency increase as FDM. It used the question, "If you get a ¥20,000 grant, what would you spend it on first?"

251 to measure FDM. Referring to Shi et al. (2022), if farmers choose "Savings", "Expenditure on food and clothing", and "Children education", which are still the primary objectives to safeguard or improve daily basic living, and are assigned a 252 value of 1. "Learning a new craft" is assigned a value of 2 because although it does not directly generate income, farmers 253 254 improve their ability to earn money by upgrading their skill and labor literacy. However, "Learning a new craft" is still es-255 sentially an exchange of labor and time for income, while investment can have a comprehensive capital effect. According to research on total factor productivity in Chinese agriculture (Li et al., 2009; Zhu et al., 2011), the capital elasticity is signifi-256 cantly higher than the labor elasticity. Therefore, "Investment in agriculture (purchase of farm machinery, expansion of 257 cropping or husbandry scale)" and "Investment in non-agriculture (do a bit of business, etc.)" are assigned a value of 3. 258

#### 259 **3.3.5 Moderator**

260 The frequency of farmers participating in the skill training was set as a moderator. The relevant question was, "Have 261 you obtained training in employment skills, farming techniques, water conservation and irrigation, forestry management, 262 etc.? How many times have they participated? What are the specifics?"

#### 263 4 Quantitative Analysis

#### 264 4.1 Propensity score matching estimation

### 265 4.1.1 Matching quality

This study examined the quality of matching through the common support condition and the balancing hypothesis. 266 From the kernel density distribution of propensity scores before and after matching (Fig.6 and Fig.7)<sup>8</sup>, two groups of sam-267 ples after matching had large overlapping areas in the propensity score density distribution, indicating that the propensity 268 value matching satisfies the common support domain condition better. The balanced hypothesis test results<sup>9</sup> showed that 269 before matching, most of the covariates had relatively large deviations. After matching, the deviations of the variables were 270 all reduced to less than 17.3%, which was below the 20% criterion. The reduction ranged from 20.2% to 97.4%, and all 271 deviations were insignificant. Pseudo R<sup>2</sup> was significantly reduced to almost zero, and MeanBias and MedBias both de-272 creased significantly, with both B values less than 25%. It can be seen that PSM significantly reduced the difference be-273 tween the treatment and control groups and better controlled the endogeneity error, which indicated that the use of PSM 274 model was consistent with the conditional independence assumption that the two groups of samples were essentially similar 275 in each characteristic dimension after matching. 276

<sup>&</sup>lt;sup>8</sup> Due to space limitations, k-nearest neighbor matching was used as an example.

<sup>&</sup>lt;sup>9</sup> The results of Rosenbaum's boundary estimates were not demonstrated due to the limitation of the length of the article, and interested readers can ask the authors for them.





Fig. 6. Kernel density distribution of propensity values before and after sample matching in Jiangxi Province.





294

Fig. 7. Kernel density distribution of propensity values before and after sample matching in Hubei Province.

#### 281 **4.1.2** Average treatment effects analysis on the treated

282 To ensure the robustness of the matching results, k-nearest neighbor matching, caliper matching, and kernel matching were performed, respectively (Table 3 and Table 4). Generally, the results of the three matches were consistent. The study 283 found that PEPWP led to a shift from single agricultural production to concurrent business. In addition to the significant 284 increase in wage income, planting income in Jiangxi Province and husbandry income in Hubei Province also increased. 285 Ganzhou City has unique climatic and resource advantages in navel orange production, which is one of the pillar industries 286 of agriculture. However, husbandry is limited by the ecological red line policy. In contrast, most farmers in Shiyan City 287 grow lower profitable crops such as wheat and corn, but husbandry income accounts for a large proportion of household 288 income. In addition to the necessary training for ecological custodians, ecological protection stations also provide training 289 290 on vegetables, rice planting technology, husbandry, and poultry breeding technology, which can indirectly increase the 291 breeding income of farmers to a certain extent. However, PEPWP promoted farmers' income increase relying more on wages. Compared with the differences between the two regions, ecological protection stations should combine the local 292 resource advantages, respect the farmers' willingness to learn, and select training programs according to local conditions. 293

#### Table 3 Treatment effects on farmers' household income (Jiangxi Province).

Matching method y<sub>total</sub> y<sub>plant</sub> y<sub>forest</sub> y<sub>husb</sub> y<sub>wage</sub> y<sub>off</sub> y<sub>local</sub> y<sub>oper</sub>

			ournal F	re-proof				
No matched	0.480***	2.206***	0.106	-0.778	/.6/6***	-0.575	0.773	-0.178
No matched	(0.086)	(0.659)	(0.131)	(0.594)	(0.267)	(0.614)	(0.742)	(0.369)
K-nearest neighbor	0.427***	1.862*	0.112	-1.233	7.458***	-0.364	-0.761	-0.160
matching	(0.141)	(1.129)	(0.079)	(0.965)	(0.861)	(1.128)	(1.179)	(0.565)
	0.439***	1.873**	0.112	-1.033	7.710***	-0.085	0.239	-0.361
Camper matching	(0.098)	(0.726)	(0.097)	(0.713)	(0.512)	(0.676)	(0.841)	(0.448)
Kernel matching	0.472***	1.668*	0.112	-1.028	7.490***	-0.123	-0.603	-0.136
	(0.125)	(1.100)	(0.085)	(0.931)	(0.761)	(1.037)	(1.102)	(0.504)
Mean	0.446	1.801	0.112	-1.098	7.553	-0.191	-0.375	-0.219

Note: SE in parentheses, and \*\*\*, \*\*, \* are significant at 1%, 5%, 10% levels, respectively.

2	9	6

Table 4 Treatment	effects on	farmers'	household	income	(Hubei	Province)
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Matching method	<b>Y</b> total	<b>y</b> plant	<b>Y</b> forest	Yhusb	Ywage	Yoff	Ylocal	Yoper
No motobod	0.525***	0.399	0.027	2.216***	7.762***	-0.361	1.127	-0.128
No matched	(0.090)	(0.394)	(0.216)	(0.455)	(0.183)	(0.338)	(0.546)	(0.213)
K-nearest neighbor	0.584***	0.087	-0.133	1.700***	7.682***	0.027	-0.633	-0.159
matching	(0.150)	(0.684)	(0.545)	(0.765)	(0.371)	(0.713)	(0.893)	(0.501)
Colinar matching	0.528***	0.244	-0.042	2.245***	7.725***	-0.456	1.118	-0.136
Camper matching	(0.100)	(0.407)	(0.236)	(0.499)	(0.204)	(0.366)	(0.567)	(0.233)
Kamal matching	0.497***	0.338	-0.259	1.931***	7.832***	-0.363	-0.192	-0.427
Kernel matching	(0.119)	(0.550)	(0.371)	(0.621)	(0.219)	(0.574)	(0.737)	(0.424)
Mean	0.536	0.223	-0.145	1.959	7.746	-0.264	0.098	-0.241

297

Note: SE in parentheses, and \*\*\*, \*\*, \* are significant at 1%, 5%, 10% levels, respectively.

# 298 4.1.3 Robustness test of PSM

299 (1) Replacement matching method

300 There are various matching methods for PSM, and to ensure the robustness of the estimation results, K-nearest neigh-

301 bor matching, caliper matching, and kernel matching were used to estimate ATT. The estimation results are shown in Tables

- 302 3 and 4 and are consistent.
- 303 (2) Matching method for bias-correction

304 Since there is a certain bias in inexact matching, Abadie and Imbens (2011) proposed a bias-correction method to ob-

tain the matching estimator. The test using this method shows that the estimation results are quite robust (Table 5).

306

	J	iangxi Provinc	æ	Hubei Province			
Bias-correction	Ytotal	<b>y</b> plant	<b>y</b> wage	Ytotal	Yhusb	Ywage	
Before	0.363***	1.869**	7.375***	0.479***	1.506**	7.764***	
	(0.088)	(0.923)	(0.910)	(0.121)	(0.620)	(0.204)	
After	0.379***	1.754*	7.893***	0.538***	1.675**	7.765***	
	(0.088)	(0.923)	(0.910)	(0.121)	(0.620)	(0.204)	

 Table 5 Bias-correction matching estimation results.

307

Note: SE in parentheses, and \*\*\*, \*\*, \* are significant at 1%, 5%, 10% levels, respectively.

308 (3) Transformation of the econometric model

309 The OLS model was used for the analysis, and the estimation results remain robust after transforming the econometric

310 model, as seen in Table 6.

Table 6 OLS model estimation results.
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		· · • • •					
	J	iangxi Provinc	ce		Hubei Province		
	Ytotal	<b>y</b> plant	Ywage	Ytotal	Yhusb	<b>y</b> wage	
d	0.363***	1.800**	7.576***	0.398***	1.631***	7.754***	
	(0.089)	(0.731)	(0.301)	(0.091)	(0.498)	(0.208)	
Matching variables	-	-	-	-	-	-	
$\mathbb{R}^2$	0.306	0.130	0.816	0.302	0.165	0.870	

Note: SE in parentheses, and \*\*\*, \*\*, \* are significant at 1%, 5%, 10% levels, respectively.

# 313 4.2 Conditional process analysis of the effect of PEPWP on income

314 From the PSM results, PEPWP significantly increased wage income and farmers' household agricultural income (as

315 reflected in the increase in planting income in Jiangxi Province and husbandry income in Hubei Province). What is the in-

ternal mechanism of PEPWP on farmers' agricultural income? This study used conditional process analysis to investigate.

#### 317 4.2.1 Common method bias test

The results of the common method bias test using Harman's single factor test (Podsakoff and Organ, 1986) indicated that the first factor explained 31.664% of the total variance, which was lower than the critical value (40%) suggested by previ-

320 ous research. It proved that there was no significant common method bias in this study.

## 321 4.2.2 Descriptive statistics and correlation matrix of the main variables

322 Descriptive statistics and correlation analysis results were in Table 7, which revealed a significant positive correlation

- among PEPWP, FDM, agricultural income<sup>10</sup> and FST.
- 324

	М	SD	1	2	3	4
1. PEPWP	0.608	0.489	1			
2. FDM	1.965	0.808	0.499**	1		
3. Agricultural income	5.384	4.204	$0.268^{**}$	$0.277^{**}$	1	
4. FST	1.553	1.840	0.329**	$0.408^{**}$	0.301**	1

Table 7 Correlation analysis of each variable.

#### 325

Note: \*\*\*, \*\*, \* are significant at 1%, 5%, 10% levels, respectively.

#### 326 **4.2.3** *Moderated mediation effect and robustness test*

First, Model 4 in PROCESS (Hayes, 2017) was used to test the mediating effect. The results showed that the total effect of PEPWP on agricultural income was 2.037. FDM partially mediated between PEPWP and agricultural income, with a mediating effect of 0.727, accounting for a total effect of 0.727/2.037=35.69%.

330 Sobel test and self-help method test were conducted to test the robustness of the mediating effect estimates, respec-331 tively. Sobel test resulted in a z-value equal to 3.064 and a p-value equal to 0.002, which indicated that the mediating effect 332 passed the Sobel test. The results of Bootstrap test are shown in Table 8. The confidence intervals for both the indirect and 333 direct effects corrected for bias didn't contain 0, which meant there was a transmission mechanism of PEPWP to income by 334 FDM. Both tests demonstrated that the estimation results were robust.

<sup>&</sup>lt;sup>10</sup> Agricultural income is measured by taking the natural logarithm of the sum of planting income, forestry income, and husbandry income

225		Journal Pre-proof					
335	Table 8 Bootstrap test results of the mediating effects.						
	Bootstrap test	coefficient	SE	95%CI	Bias-corrected 95%CI		
	Indirect effect	0.727	0.241	[0.265,1.217]	[0.265,1.212]		
	Direct effect	1.31	0.483	[0.362,2.259]	[0.362,2.259]		

Second, the moderating effect test was performed using Model 7 in PROCESS (Hayes, 2017). Results showed that 336 PEPWP×FST was a significant predictor of FDM,  $\beta$ = 0.099, p < 0.05 (Table 9). The recommendations of Jeffrey et al. 337 (2007) were used to test H3 (Table 10). The difference values of the two indirect paths were significant ( $\beta$ =0.298, p<0.001) 338 in the case of low and high FST. When the Bootstrap method was repeated 5000 times, the 95%CI was [0.010,0.681], 339 which indicated that higher FST, higher effects of PEPWP on agricultural income through FDM. Thus H3 was validated. 340



	Dependent Variable: FDM			Dependent Variable: agricultural income			
	β	SE	95%CI	β	SE	95%CI	
control variable		controlled			controlle	ed	
PEPWP	0.735***	0.077	[0.585,0.886]	1.310***	0.483	[0.362,2.259]	
FST	0.108***	0.020	[0.068,0.148]				
PEPWP×FST	0.099**	0.043	[0.013,0.184]				
FDM				0.885***	0.276	[0.342,1.427]	
R2		0.327			0.133		
F		29.097***			10.771**	**	

342 343

Table 10 Moderated mediation test.							
	β	SE	BootLLCI	BootULCI			
Low FST(M-1SD)	0.510	0.178	0.181	0.879			
High FST(M+1SD)	0.808	0.280	0.287	1.384			
Difference between high and low FST	0.298	0.170	0.010	0.681			

344 To further explain the moderating effect of FST and test the robustness of the results, FST was divided into two groups, high and low, by mean plus or minus one standard deviation, and the slope test was conducted. The results showed (Fig. 8) 345 that when at high FST (M+1SD), PEPWP had a significant positive predictive effect on FDM,  $\beta$ =0.914, t=7.518, p<0.001. 346 As for low FST (M-1SD), the predictive effect of PEPWP on FDM was relatively small,  $\beta$ =0.577, t=6.342, p<0.001. The 347 348 results indicated that FST moderated the mediating effect of PEPWP on income through FDM.



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Fig. 8. The moderating effect of FST.

# 351 **5 Discussion and Implications**

352 Ecologically fragile regions frequently overlap highly with farmers' livelihood-vulnerable regions, and poverty and 353 environmental issues are intertwined (Alvarado et al.; Lei et al., 2021). The ecosystem is significant livelihood capital, 354 while the degradation leads to the emergence or worsening of poverty (Sen, 1982). Poverty is not only the result of ecolog-355 ical vulnerability but also in turn further exacerbate it (Barbier, 2012; Bird et al., 2002; Liu and Li, 2017; Zhou et al., 2020). The vicious cycle between poverty and eco-environmental degradation is one of the main reasons for the slow so-356 357 cial-economic development in less developed areas. How to break this vicious circle and make families escape the "poverty trap" has always been a hot topic of widespread concern (Bird, 2010; Lei et al., 2021). As one of the most effective EPA 358 programs, rationally designed PES programs are seen as a key to achieving synergistic development between poverty re-359 duction and ecological conservation (Cao et al., 2017; Engel et al., 2008; Kinzig et al., 2011; Ola et al., 2019). EPWP poli-360 361 cy has been widely and efficiently implemented, resulting in a steady growth in income in farmers' livelihood-vulnerable regions and a significant improvement in the regional environment, as well as a proactive role in enhancing FDM and rural 362 363 administration.

Firstly, in farmers' livelihood-vulnerable regions, PEPWP progressively enhanced farmers' household income. Alt-364 hough the important role of PES plan in promoting the income increase of farmers has been discussed internationally (Pag-365 366 iola et al., 2005; Pham et al., 2021; Sheng and Wang, 2022), researches on the income-enhancing effect of EPWP were relatively rare, and this study complemented it. As of 2019, China's national ecological forest covered 113 million ha, account-367 ing for 11.8% of the national land area<sup>11</sup>. As forest resource is most frequently affected by human activities, it is necessary 368 to patrol and protect them. According to survey data, the salary of ecological custodians was 69.6 CNY/ha. If the per capita 369 370 salary reaches 8,000 CNY/year, the per capita protection area should be 114.94 ha. It can be estimated that a national ecological forest needs 983,100 ecological custodians, which will increase 7.87 billion yuan of regional transfer income, and 371 the multiplier effect brought by transfer payments will drive regional economic development. This study discovered that 372 PEPWP can reallocate labor time and human resources, resulting in increased personal wage income as well as household 373 374 agricultural income, providing multiple opportunities to increase income and bringing the positive effect of "one person participates in ecological conservation, the entire family increases revenue." 375

Secondly, EPWP policy significantly improved regional ecological environment. As typical public resources, forests, grasslands, and wetlands do not have clear property rights characteristics. It may not be effective to rely only on high-cost government supervision, social donation, and moral awareness. How to establish a diversified and sustainable management and conservation mechanism? How to motivate farmers, community groups, conservation stations, and other organizations to participate in ecological conservation? These are critical issues in ecological construction. The area under ecological custodians patrol per capita in China must be at least 33.3 ha for ecological forest, 133.3 ha for wetlands and sandy regions,

<sup>&</sup>lt;sup>11</sup> Department of Forest Resources Management, 2021 (http://www.forestry.gov.cn/slzy/1599/20210127/160840724923126.html)

and 200 ha for grasslands<sup>12</sup>. EPWP policy arranged for farmers to participate in ecological custodianship through the government's purchase of services, which raised farmers' environmental consciousness. More importantly, EPWP policy expanded the ecological protection teams at the grass-roots level, improved the level of regional ecosystem service supply, and tightened the protection network of natural resources in ecologically fragile regions. A series of spillovers from EPWP was consistent with the conclusion that other PES programs were proven to increase ecosystem services (Aganyira et al., 2020; Duan et al., 2015; Peskett et al., 2011)

Thirdly, this study also found that EPWP policy effectively stimulated FDM. Rural revitalization aims to strengthen 388 farmers' development ability and willingness. Development motivation includes labor skills, management capacity, material 389 390 conditions, and resource elements. EPWP policy has realized the transition from relief assistance to participatory assistance. Farmers have exercised their abilities and gained respect by participating in ecological management and protection. Fur-391 392 thermore, farmers' ability to survive and secure, develop their products, and earn income from their property has been fur-393 ther enhanced through skill training (Liu et al., 2021). In practice, there is a number of ecological custodians who lead the way to increase income. It further confirms the positive effect of EPWP on the development of farming households. In or-394 der to clarify the intrinsic effect mechanism of PEPWP on income, this study established the transmission mechanism of 395 "participation environment - enhancement process - effect outcome", which verified the mediating and moderating effects 396 397 of FDM and FST in the effect of PEPWP on income. This study is innovative as it breaks away from the limitations of pre-398 vious research with a single pathway.

Furthermore, EPWP policy drives to improve rural governance in farmers' livelihood-vulnerable regions. Good rural 399 governance is an essential component of the modernization of the national governance system and capacity (Koopmans et 400 401 al., 2018). EPWP policy has built a "grid" management and protection mechanism to improve the level of rural governance 402 in farmers' livelihood-vulnerable regions, which would, to a certain extent, contribute to rural revitalization. In promoting EPWP policy, the government gradually attaches great importance to the multi-functional role of ecological custodians. In 403 404 addition to protection work, ecological custodians are also called to participate in rural governance. Luocheng County, Guangxi Province, China, has explored the "six-responsibilities" mechanism, and expanded and enriched the work respon-405 sibilities. Ecological custodians are guided to become guards of lucid waters and lush mountains, informers of rural gov-406 ernance, propagandists of national policies, supervisors of grassroots work, promoters of agricultural technology, and epi-407 demic prevention coordinators, which could be taken into account in the future extension of EPWP policy. However, it is 408 409 vital to concentrate on the balance between pay and workload.

It should be noticed that the primary purpose of setting up ecological custodians is to protect natural resources and prevent the damage to the ecological environment rather than assist low-income groups. The causes of livelihood vulnerability are diverse. The ability to be competent as ecological custodians should be considered in specific practice (Wu and Jin, 2020). According to the selection requirements, ecological custodians should be the ages of 18-60, healthy, competent

<sup>&</sup>lt;sup>12</sup> National Forestry and Grassland Administration, 2021 (http://www.forestry.gov.cn/main/5501/20210918/094857480178062.html)

for field inspections, and can stop environmental damage. In addition, the number of ecological custodians should be reasonably controlled, and their assignment should be related to the size and difficulty of the patrol region, work performance, and other factors to avoid "setting positions due to poverty".

In conclusion, some insights are summarized. First, in response to PEPWP promoting farmers' household income that is more dependent on increased wage income, attention should be paid to diversifying farmers' income channels. Beware of returning to poverty due to large fluctuations in income after resigning from welfare positions. Second, the multi-functional role of ecological custodians should be emphasized. In addition to protection work, ecological custodians should participate in rural governance, and increase farmers' sense of social responsibility and participation. Furthermore, attention should be paid to the role of skill training by setting up training projects according to local conditions to activate the development power of farmers and effectively improve the effect of supporting policies.

Exploring the specific case of EPWP in China's PES program also has other significant implications for scholars and policymakers. First, the study not only confirmed that PEPWP affected household income composition, but also drew on psychological methods to explore the specific internal mechanism, which provided a new perspective and empirical evidence for related research fields. Second, the empirical approach of this study was largely generalizable and can be utilized to validate the income effects of other PES programs. In addition, the findings and insights may also be applied to other regions in China, as well as similar ecologically fragile regions around the globe.

# 430 **6. Conclusions**

The findings of this study are as follows. First, farmers participating in EPWP exhibited the characteristics of 431 "self-selection", and after eliminating selective bias, PEPWP significantly increased the total household income of the 432 farmers. In terms of sub-incomes, PEPWP significantly increased farmers' planting income in Jiangxi Province, husbandry 433 income in Hubei Province, and wage income in both provinces, but the effects on other sub-incomes were insignificant. 434 Overall, PEPWP promoted farmers' household income growth primarily by income diversification, which is in line with the 435 development direction of the transformation to part-time farming advocated by the Chinese government. However, income 436 from planting and husbandry had a smaller effect on farmers' household income than wage income. Second, there was a 437 moderated mediating model between PEPWP and farmers' household agricultural income. FDM played a mediating effect 438 between PEPWP and agricultural income, and this mediating effect accounted for 18.49% of the total effect. In addition, 439 FST acted as a positive moderator of FDM's mediating role between PEPWP and agricultural income, specifically by mod-440 441 erating the anterior path of this mediation model. At a higher FST, the positive effect of PEPWP via FDM on agricultural 442 income would amplify. Third, EPWP policy steadily enhanced farmers' household income in farmers' livelihood-vulnerable regions and significantly improved the regional ecological environment, as well as playing an active role in promoting 443 FDM and rural governance. 444

445 There are still limitations in this study. First, this study adopted self-report measures. Farmers verbally responded to

446 our questions, which were highly subjective and susceptible to being impacted by the directionality and orientation of the 447 performance evaluation. In the future researches could design more detailed and plausible methods to quantify these 448 self-reports and employ more optimized survey methods to minimize the impact of subjective factors on the outcomes. 449 Second, the analysis exclusively examined the revenue of farmers in 2019 only, ignoring the distortion created by temporal 450 dynamics. Future tracking survey data can be utilized to investigate the evolution over time of the relationship between 451 PEPWP, FDM, NST, and farmers' household income.

452

## 453 CRediT authorship contribution statement

454 Ke Xu: conceptualization, questionnaire development, methodology, data curation, software, formal analyses, writing 455 original draft, visualization, writing review and editing, validation. Changbin Yin: supervision, writing original draft, re-456 sources, project administration, funding acquisition. Boyang Shi: data curation, writing-review and editing, validation. Jie

457 **Pang:** data visualization, writing-review and editing.

## 458 **Declaration of competing interest**

459 We declare that no potential conflict of interest was reported by the authors.

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- Reveal the effect of ecological public welfare positions (EPWP) on farmers' income.
- EPWP can increase household income accompanying with sub-income diversification.
- The impact of EPWP on income is mediated by farmer's development motivation.
- Frequency of skill training moderates the internal mechanism of EPWP on income.
- The environmental-economic-social benefits of EPWP are discussed.

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## **Declaration of interests**

☑ The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

□ The authors declare the following financial interests/personal relationships which may be considered as potential competing interests:

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