

Encouraging farmers to improve animal welfare – the possible role of behavioural economics

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Farmers play an important role to raise the animal welfare standards on their farms. It is often assumed that they act purely on an economic basis. However, changing insights have shown that psychological and sociological drivers reported in literature should also be acknowledged. This is the field of behavioural economics. Is it possible to use behavioural economics to understand decision-making of farmers? This was tested in December 2016 in a study focussing on dairy farmers' decision making concerning participation in an imaginary programme for prevention of bovine virus diarrhoea (BVD). Such a programme is important to raise both animal welfare and health standards on dairy farms. Of the farmers participating in the study, 82 already had a BVD-free status on their farms and 48 had not. When comparing these two groups, farmers with a BVD-free status perceived less problems with BVD, had a more positive attitude to the BVD prevention programme and were more convinced that joining the programme should benefit their cows' health. The 48 famers who did not have a BVD free status yet were asked whether they would consider joining the BVD prevention programme if they were offered a reward of €3 per calf sold if their farm should appear to be free of BVD, or a fine of €30 per calf contaminated by BVD if their farm should appear not to be free of BVD. Of these farmers, 38 (79%) choose to join the programme. Comparing the testers and non-testers showed that testers had a more positive attitude to the prevention programme, were more convinced that it should benefit their cows' health and tended to be more ambiguity-averse. This shows that decision-making of farmers is not only affected by price incentives but that other factors such as attitude and ambiguity aversion play a role as well.