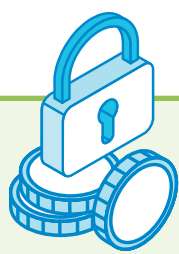


# FARMERS' CONTRIBUTION TO THE ENVIRONMENT

## A behavioural experiment



### INCREASE MANDATORY CONTRIBUTION

through the adoption of green farming practices

### TWO PROPOSED POLICY CHANGES



### DECREASE DIRECT PAYMENTS

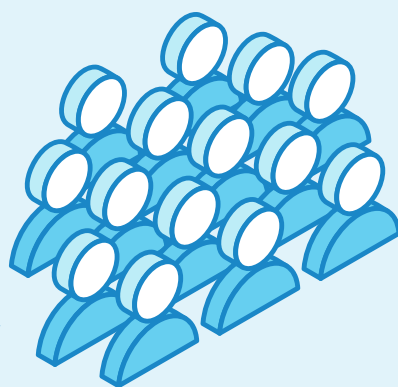
shifting budget from direct payments to new eco-schemes



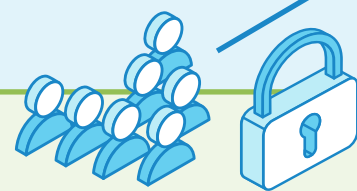
### ONLINE BEHAVIOURAL EXPERIMENT

### 600 FARMERS

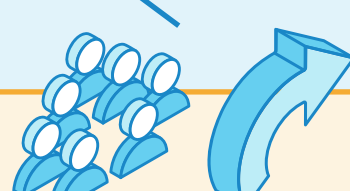
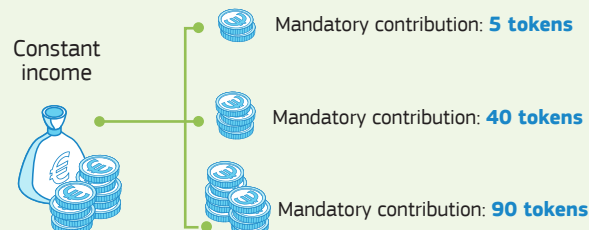
received an income in tokens



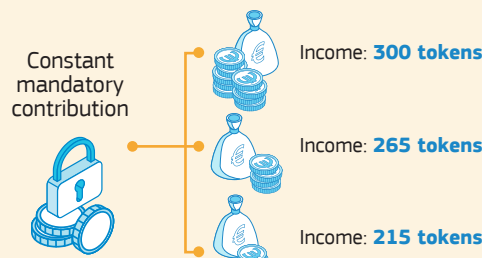
### FARMERS FROM GERMANY, SPAIN AND POLAND



### 300 FARMERS TESTED ON VARIATION IN MANDATORY CONTRIBUTION



### 300 FARMERS TESTED ON VARIATION IN DIRECT PAYMENTS



## The Question

### BEHAVIOURAL OUTCOME

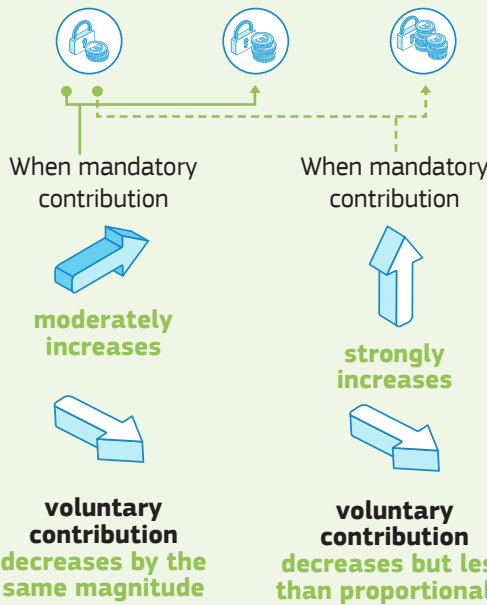
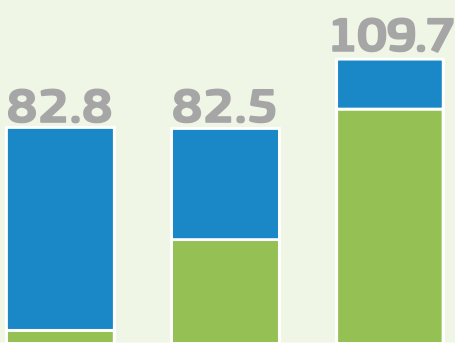
How many tokens do you voluntarily\* give to the environment?

\*Farmers received a 90% compensation



### Variation in MANDATORY CONTRIBUTION

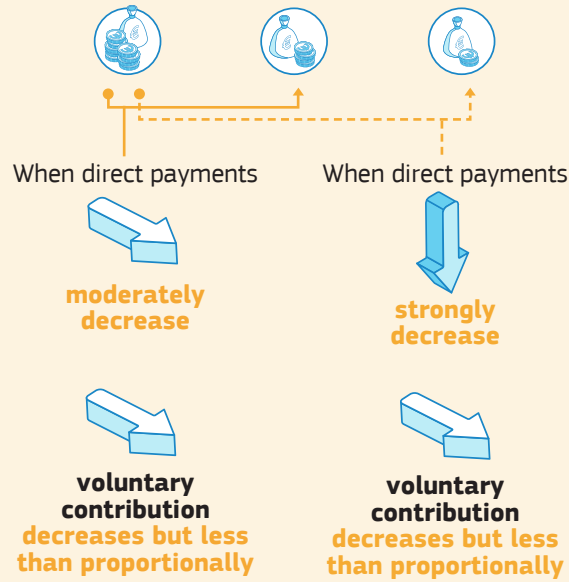
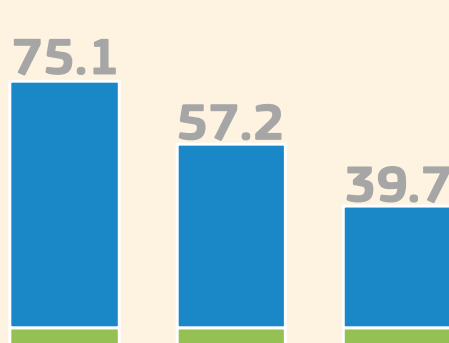
✕ TOTAL ■ VOLUNTARY ■ MANDATORY



**MORE TOTAL CONTRIBUTION**  
IF STRONG INCREASE OF MANDATORY CONTRIBUTION

### Variation in DIRECT PAYMENTS

✕ TOTAL ■ VOLUNTARY ■ MANDATORY

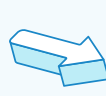


**LESS TOTAL CONTRIBUTION**  
IF DECREASE OF DIRECT PAYMENTS

### The effects on voluntary contribution:



More affected by **mandatory contribution**



than by equivalent variation in **direct payments**



Increasing mandatory contribution to the environment may decrease farmers' voluntary contribution.  
**A strong increase in mandatory contribution may still increase total contribution.**

### Policy MESSAGES



**Decreasing direct payments may decrease farmers' voluntary and total contribution to the environment** when the compensation for such voluntary contribution does not entirely compensate income foregone and cost incurred