
Empirical evidence on factors influencing farmers' administrative burden: A structural equation modeling approach

Christian Ritzel^{a*}, Gabriele Mack^a, Marco Portmann^a, Katja Heitkämper^a and Nadja El Benni^a

^a Federal Department of Economic Affairs, Education and Research – Agroscope, Ettenhausen, Switzerland

Abstract: Direct payments represent a large share of Swiss farmers' total household income but compliance with related requirements often entails a high administrative burden. This causes individuals to experience policy implementation as onerous. Based on a framework for administrative burden in citizen-state interactions, we test whether farmers' individual knowledge, psychological costs and compliance costs help to explain their perception of administrative burden related to direct payments. We refine this framework by testing different specifications of interrelations between psychological costs and perceived administrative burden based on findings from policy feedback theory and education research. Structural Equation Modeling (SEM) is applied to data collected from a representative sample of 808 Swiss farmers by postal questionnaire in 2019.

We find that compliance costs and psychological costs contribute significantly to the perceived administrative burden. In contrast, farmers' knowledge level contributes to this perception not directly but indirectly, with higher knowledge reducing psychological costs. Our results support policy feedback theory, in that a high level of administrative burden increases psychological costs. Furthermore, well-educated and well-informed farmers show a more positive attitude toward agricultural policy and thus perceive administrative tasks as less onerous. Policy-makers should invest in the reduction of administrative requirements to reduce compliance costs. Political initiatives should focus on improving the attitude toward agricultural policy, to decrease psychological costs and thus perceived administrative burdens.

Keywords: Administrative burden, agriculture, cross-compliance, direct-payment policy, structural equation modeling
