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*Animal Welfare* 2012, 21(S1): 1-10  
doi: 10.7120/096272812X13345905673449  
ISSN 0962-7286

## **How can economists help to improve animal welfare?**

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### **Abstract**

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*To-date, the dominant approach to improving farm animal welfare has consisted of a combination of voluntary improvements undertaken by farmers and the tightening of legal requirements. However, history suggests that there is a limit to the improvements capable of being secured by this approach. In this paper, it is argued that economic principles can and should have an important role when new, market-driven and other approaches are set up to improve farm animal welfare. The paper focuses on two ways in which economic principles can improve analyses of animal welfare. The first is by helping to define priorities as to which aspects of animal welfare should be promoted. Here, economic approaches can be used to capture and synthesise the perspectives of all the stakeholders, including the animals, in a transparent and systematic way. The second way is by helping to ensure that incentives are set up in the right way. Where the benefits and costs of improving animal welfare are initially distributed unevenly across stakeholders so that a socially desirable situation will not develop automatically, or be implemented, suitable economic principles may help to create incentives which correct this situation. Thus, if society is to achieve its goal of improving animal welfare, scholars from different disciplines should collaborate in identifying animal needs, assessing stakeholder preferences, making priorities transparent and providing incentives that make solutions realistically attainable.*

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**Keywords:** *animal welfare, economics, incentives, priorities, stakeholders, transparency*