

Willingness to Pay of Smallholders for Soil Restoration: Results of a Contingent Valuation Survey

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Abstract

This work presents the willingness to pay of smallholders of the rainfed from Central Chile by means of implementing restoration projects of soils degraded by erosion, covering an area that extends from Libertador Bernardo O'Higgins Region to Biobio Region. In order to determine the extent of welfare in smallholders by means of the application of soil restoration projects, the Contingent Valuation Method was used. This model assumes the linear functional form of an indirect function of usefulness and a logical distribution for the method of stated preferences in the format of a simple dichotomous model. The determinant variables of the willingness to pay that were significant were evaluated. These variables were the condition of the owner and the perception of low performance derived from the erosion condition of the land, unlike variables such as yields, expenses or costs which can be due to the perception as such in the economy of the smallholder who lives off the land. As welfare measurement the trimmed means was measured, resulting in 7.17 US\$ ha(-1) and adding -to the total surface of the inland rainfed- of 2,463,761 US\$ per month.

Keywords

Author Keywords: Soil erosion; Logit model; Contingent valuation

KeyWords Plus: SOCIOECONOMIC DETERMINANTS; WELFARE EVALUATIONS; MARKET GOODS; SRI-LANKA; CONSERVATION; FARMERS; PREFERENCES; DECISION; ETHIOPIA