



INSTITUTE OF BEHAVIORAL SCIENCE ■

UNIVERSITY OF COLORADO

AT BOULDER ■

ENVIRONMENT AND SOCIETY PROGRAM

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“Measuring the Economic Value of a Nature Restoration Program”

December 11, 2006

11:30-12:30

Since the Law for the Promotion of Nature Restoration in Japan took effect in 2003, valuing a nature restoration project has become a great challenge. This paper estimates the economic value of the conservation and restoration of a shallow lake ecosystem in Kushiro Mire in Japan using choice experiments. The restoration project valued in this study consists of four measures which are derived from ecological studies: the restoration of biodiversity, the protection of endangered species, the improvement of water quality, and the recreational use regulation. I conducted a web-based computer-assisted survey, in which subjects were the public who lived in Hokkaido located in the northernmost island in Japan in October 2006. To account for heterogeneity in the preferences of the public for the restoration project, a random parameter logit model and a latent segment logit model are estimated. First, the results of random parameter logit analysis clarify the existence of heterogeneous preference in our application sample. Second, the results of latent segment logit analysis indicate two homogeneous groups, one that values restoration of the lake ecosystem while the other that values recreational use. Psychological variables including respondent's motivation, perception, and familiarity influence the cause of the differences between these groups.

IBS 3 Conference Room

IBS 3 is the second building north of Starbucks Coffee on Broadway.

Feel free to bring a brownbag lunch.