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Valuing Watershed Services in Mexico's Temperate Forests

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Abstract
Water resources are highly valuable in arid, semiarid, or high-altitude areas where the sources are restricted to groundwater or flash floods occurred in short periods of time. In this paper, we present a case study where water is economically valued through nonmarket valuation techniques. A follow-up review of similarly- conducted case studies in Mexico was carried out to evaluate the potential relationships that elevation, mois- ture index, and human development index have over the economic value of water. The main factors influ- encing the value of water in our case study were income, education, age, and family size. Bivariate correla- tions of the case studies in the country suggest that there is no a significant relationship between water value and elevation, although there is some relationship between water value, moisture index, and the human de- velopment index. Dryer areas and more developed communities tend to pay more for an improvement in current water resources conditions. These results can help decision-makers to consider regional policies aimed to improve water management conditions in semiarid and less-developed communities in Mexico.

Keywords: Durango, Contingent Valuation, Non-Market Valuation, Moisture Index, Water Scarcity