

# A Tale of Two Ejidos

Contingent Valuation and Deliberative  
Monetary Valuation: Examining Divergence in  
WTP Figures Generated

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# Contingent Valuation (CV) vs Deliberative Monetary Valuation (DMV)

## Contingent Valuation

- ▶ Stated preference method
- ▶ Can express TEV
- 
- ▶ Respondent as consumer
  
- ▶ WTP values are the sum of individuals decisions
- ▶ Respondent's WTP preferences remain private

## Deliberative Monetary Valuation

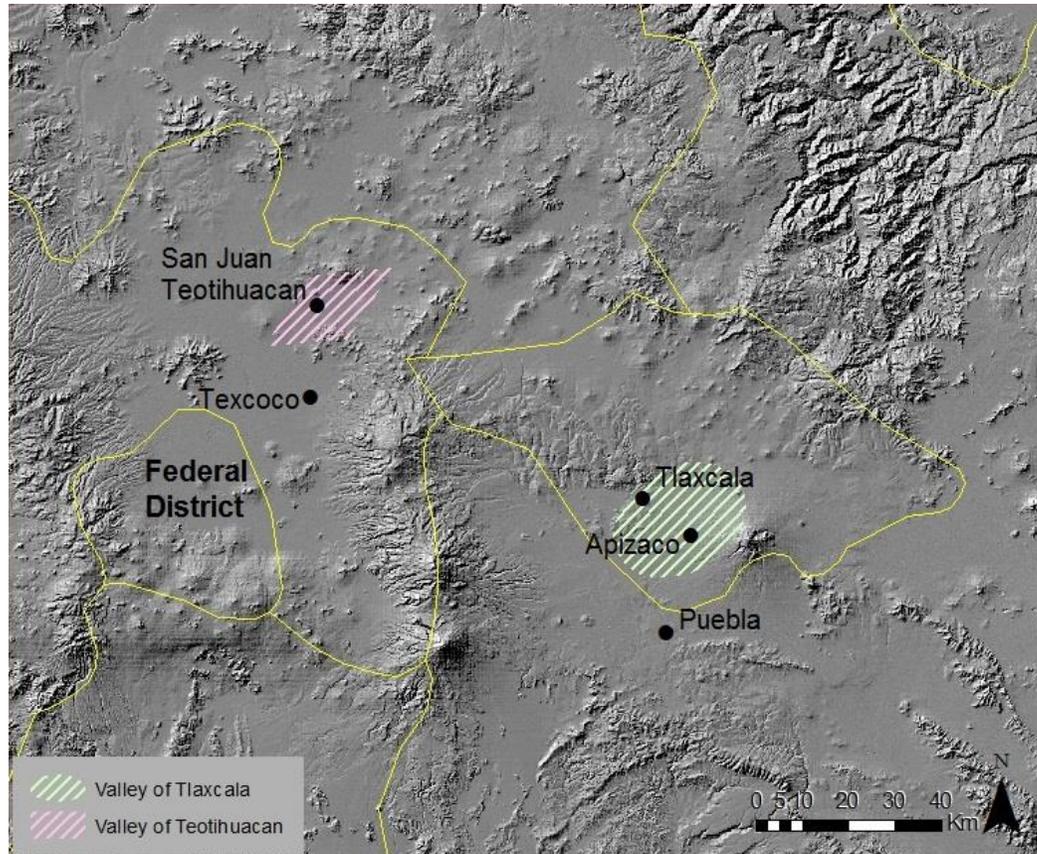
- ▶ Stated preference method
- ▶ Can express TEV
- 
- ▶ Respondent as consumer and citizen
- ▶ WTP values are arrived at collectively through discussion
- ▶ Respondent's WTP preferences are publically shared

# Water Issues in the Basin of Mexico

- ▶ Basin of Mexico water crisis:
  - ▶ Climate change
  - ▶ Urbanization
  - ▶ Irrigation
- ▶ Mexico heavily subsidizes water usage:
  - ▶ Users pay roughly 50% of regional average
  - ▶ Charges would have to increase around 70% just to meet delivery costs
- ▶ Water situation is unsustainable



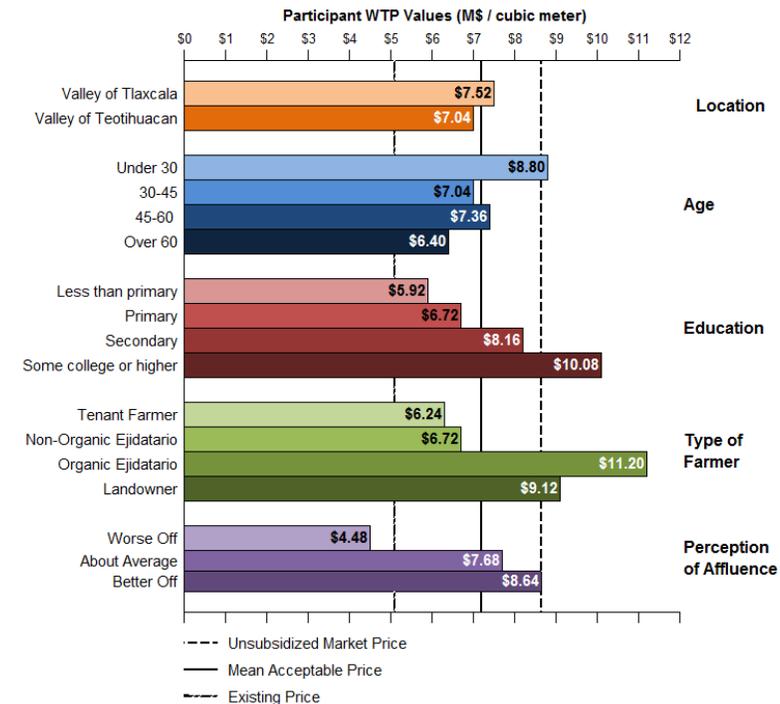
# Contingent Valuation Study: Premise



- ▶ Would farmers be WTP more for water in return for proportionate increase in subsidies for sustainability
- ▶ How do demographics impact WTP values?

# Contingent Valuation Study: Results

- ▶ Mean WTP values indicate a willingness to redirect up to 60% of subsidies
- ▶ Highest WTP values among those on sustainable ejidos, those owning own land, college educated farmers, young farmers
- ▶ Lowest WTP values among those feeling themselves worse off financially, older farmers, tenant farmers, farmers with less than primary education



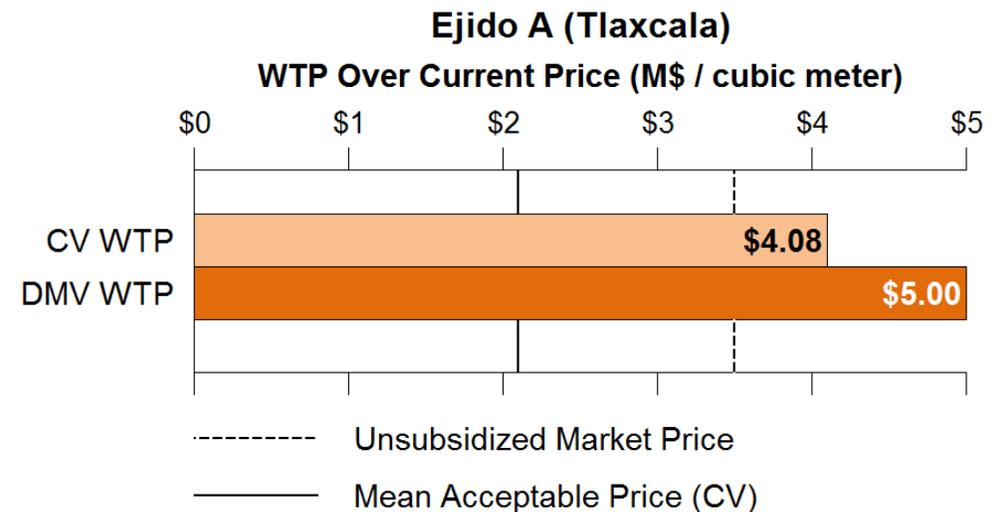
# Deliberative Monetary Valuation Study



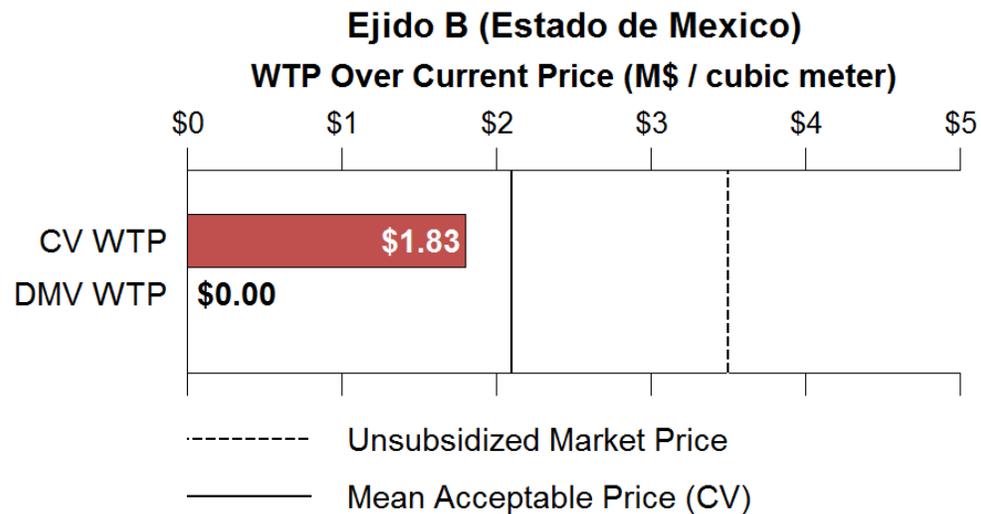
- ▶ Complimentary to previously discussed CV study (same issue and framing)
- ▶ Two of the participating ejidos from CV study organized deliberative groups
- ▶ Participants in groups were selected randomly from pool of available volunteers in the ejido, with an effort to achieve equitable gender representation
- ▶ Deliberation was moderated to disseminate information and to encourage discussion and the inclusion of all participants

# Ejido A (Tlaxcala)

- ▶ Ejido practicing high value-added sustainable agriculture
- ▶ Highly interactive and participatory deliberative experience
- ▶ Limited divergence between CV and DMV values
- ▶ Deliberative process reaffirmed community commitment to sustainability



# Ejido B (State of Mexico)



- ▶ Ejido practicing low value-added staple crop agriculture
- ▶ Deliberative process dominated by two locally-influential figures
- ▶ High divergence between CV and DMV values
- ▶ Deliberative process reflected leaders' preference for status quo

# Why the divergence?

## Ejido A

- ▶ Consensual decision-making
- ▶ Limited social stratification
- ▶ Transparent subsidy provision
- ▶ Competitive state politics
- ▶ Trans-national network

## Ejido B

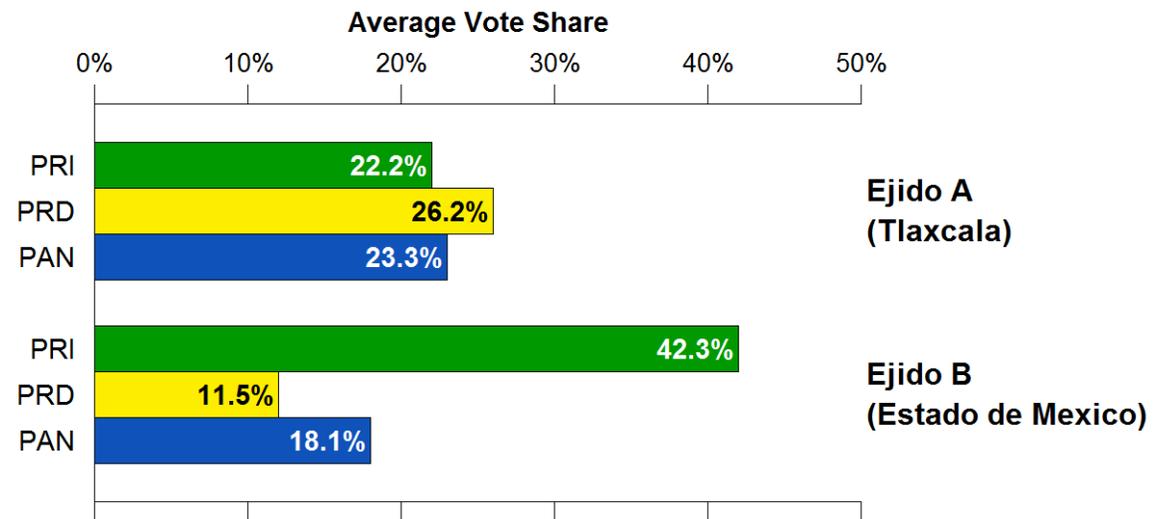
- ▶ Top-down decision-making
- ▶ Greater social stratification
- ▶ Clientelistic subsidy provision
- ▶ Non-competitive state politics
- ▶ No trans-national network

# Management and Hierarchies

- ▶ Ejido A has embraced a very consensual decision-making style for decades
  - ▶ Receives subsidies through a well-regarded national program and from international donors
- ▶ Ejido B retains a number of consensual decision-making **forms**
  - ▶ But decisions are often made by a smaller group and then confirmed by the community
  - ▶ Receives subsidies from more traditional government agencies featuring strong clientalist networks



# Political Culture



Average of 2012 Presidential election and the 2009, 2012, and 2015 Congressional elections for sections containing ejidos

- ▶ Tlaxcala has a very different political traditions than the State of Mexico
  - ▶ Tlaxcala has a unique identity in central Mexico
  - ▶ Reflection of political alignments dating back to pre-Hispanic period, through Spanish rule

# Outside Orientation

- ▶ Ejido A has built up links to Mexican and international food sovereignty and sustainability groups
- ▶ Ejido B has had limited contact with outside NGOs



# Power imbalance in DMV



- ▶ Can pre-existing power imbalance be addressed in DMV?
- ▶ Should those with disproportionate power (economic, social, political) be excluded or underrepresented?
- ▶ DMV enables collaboration and community at the expense of privacy and autonomy

# CV vs DVM: So, which figures are correct?

- ▶ Both...and neither!
- ▶ Both reflect a legitimate (if imperfect) representation of WTP values
- ▶ Reflection of **different** WTP values: individual/consumer vs collective/citizen-consumer
- ▶ The divergence between DMV and CV values **may** be greatest when power imbalances/hierarchies are strong



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