

Table 1. Average amount people are willing to pay to reduce the risk of wildfire in old growth forests.

	Amount People Are Willing To Pay Per Hectare	Amount per Acre (Multiply the per hectare amount by 2.47)
People in California	\$386	\$953.42
People in New England	\$128	\$316.16



Reflection Section

- Why do you think that people in California are willing to

pay more money to reduce fire risk in California and Oregon old-growth forests than people in New England?

- Look at table 1. From this table, can you tell how many hectares equal 1 acre? How many would you say that it is?

Implications

Using the amounts calculated from the responses to their questions, the scientists concluded that people in California and New England place a high value on protecting old-growth forests for northern spotted owl habitat. This study shows that old-growth forests are important for many reasons, including providing habitats for endangered species such as the northern spotted owl. In the future, people that make decisions about whether to pay for

a prescribed fire may want to consider many different kinds of values, including the value of providing habitat for endangered species.



Reflection Section

- Are you surprised that people in New England are

willing to pay money to protect owl habitat that is located across the country in California and Oregon? Why?

- Do you think that people that make decisions about using tax money for prescribed fires should consider values like providing habitat for endangered species? Why or why not?



FACTivity

In this FACTivity, you will answer the questions: What is the value of a

favorite possession? Is there just one value, or is the value different for different people? Why might different people place different values on an item? To answer these questions, you will follow this method: Select five classmates to bring a favorite personal possession to class. It could be something like a stuffed animal or a model car. For each of the five items, construct a survey using the form below as a guide. Make one copy of the survey for each member of the class. Each class member

Questionnaire Example for Each Item

I am a boy_____ girl_____	I Am Willing To Pay This Amount
Item 1:	
Item 2:	
Item 3:	
Item 4:	
Item 5:	

Example of Results: 15 Average Amounts

	Overall Average Amount	Girls' Average Amount	Boys' Average Amount
Item 1:			
Item 2:			
Item 3:			
Item 4:			
Item 5:			

will write in the maximum amount they would be willing to pay to purchase each item. Try to be realistic, as if you really had a chance to purchase the item (but you do not really have that chance!). A class member cannot submit an amount for their own item.

Collect all of the surveys and calculate the average amount the class is willing to pay for each item. To calculate the average, add all of the amounts and divide the total by the number of classmates participating in the bidding

for that item. Calculate the average amount that the girls are willing to pay for each item. Then, calculate the average amount that the boys are willing to pay for each item. You will have 15 average amounts, 3 amounts for each item. (See the example below.) Hold a discussion in your class on the average value of each item. Are the values different for boys and girls? Why do you think this is? Would the person that owns the item be willing to sell his or her item for the average amount?

Why or why not? As a class, discuss what this FACTivity illustrates about the value of an item. What are the similarities and differences between bidding on a classmate's favorite item and being willing to pay a certain amount to protect endangered species habitat?

From: Loomis, J. B. and González-Cabán (1997). Comparing the economic value of reducing fire risk to spotted owl habitat in California and Oregon. *Forest Science*, 43(4): 473-482.