



Estimating the Gardeners' Willingness to Pay for the Insurance of Walnut Tree Trunks

A Case Study: Rabor County in Kerman Province

M. Bani Asadi* , Dr. S. Yazdani* *

Abstract

Regarding the climate conditions and agricultural geography of Iran, fruit trees are amongst the items that have always been at risk. In Kerman province which has always been a leading, successful province in producing garden products, natural hazards have repeatedly damaged these products and imposed lots of losses on farmers in this area. Therefore, in order to reduce the damages caused by risks to garden products in Kerman province and all over the country, taking the advantage of fruit trees insurance is of great importance. This study aimed at estimating the maximum willingness of the gardeners to pay for walnut trees insurance, as well as investigating the effective factors on adoption of walnut trees insurance (the trunks) in Rabor County, Kerman Province. The Conditional Valuation Method (CVM) has been used to estimate the average willingness to pay for the trees insurance. The research findings show that most walnut tree gardeners do not consider the insurance of walnut trees essential and effective, since these trees are resistant to damage and they live long. Based on the research findings, the calculated willingness to pay for the insurance of walnut trees was estimated to the approximation of 2360 Rials. It is worth mentioning that the data for this field study was collected in 2011 through interviewing walnut tree gardeners in Rabor County, Kerman Province.

Keywords:

Walnut Trees; Tree Insurance; willingness to pay; Conditional Valuation Method; Risk; Rabor County in Kerman Province.

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- * M.Sc. graduated in Agricultural Economics, Tehran University and the Corresponding Author
E-mail: : Baniasadi.m65@gmail.com
* * Professor of Agricultural Economics, Department in Tehran University.
E-mail: syazdani@ut.ac.ir