### Analyzing Economic Impacts of Leafy Spurge

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# Leafy Spurge

- Invasive perennial weed native to Europe and Asia
- Widely established on untilled lands, especially in Northern Great Plains
- Infestations exceed 1.6 million acres in 4-state region (MT, ND, SD, WY)
- More than 1.1 million acres in North Dakota alone



### **Bio-Economic Model**

- Estimate biophysical effects of leafy spurge infestations
- Estimate economic values associated with biophysical effects (direct economic impacts)

Estimate economic effects on other sectors (secondary economic impacts)

# Leafy Spurge – Major Effects

- Grazing land
  - Loss of carrying capacity
  - Smaller beef herds
  - Reduced revenue for ranchers
- Wildland
  - Reduced wildlife habitat value
  - Reduced watershed benefits

#### Bioeconomic Model of Leafy Spurge Infestation



#### Reduced Carrying Capacity for Cattle Associated with Various Levels of Leafy Spurge Infestation



# Grazing Impacts (Biophysical Effects)

- Lost grazing in 4-state region = 736,000 AUMs
- Enough for a herd of 90,000 cows

# Grazing Impacts (Direct Economic Effects)

- \$37.1 million annually in lost livestock sales
- \$26.4 million annually in reduced livestock production expenditures and \$10.7 million in reduced personal income

### Wildland Impacts

- Leafy spurge displaces native plants and reduces plant diversity, resulting in:
  - Reduced wildlife habitat value
  - Increased water runoff and soil erosion

### Relationship of Wildland Wildlife Habitat Value and Leafy Spurge Infestations on Wildland



### Wildland – Direct Economic Effects

- Reduced wildlife associated recreation expenditures - \$2.4 million annually
- Reduced watershed values \$1.0 million annually

### Secondary Impacts

- Secondary impacts are those experienced by other sectors of the regional economy through the multiplier process
- Estimated using an input-output (I-O) model for regional economy
- I-O model measures linkages among sectors (industries) and estimates secondary impacts resulting from direct economic effects

## Secondary Impacts - Grazing

Direct Impacts Secondary Impacts Total Impacts

- \$37.1 million
- \$82.6 million
- \$119.7 million

# Secondary Impacts - Wildland

- Contract Contracts
- Secondary Impacts
- Total Impacts

- \$3.4 million
- \$6.4 million
- \$9.8 million

### Annual Economic Impacts of Leafy Spurge in MT, SD, ND & WY



### Use of Impact Information

- To convey the seriousness of the problem to policy makers at state and national levels
- To gain/maintain support for research to develop and demonstrate improved control measures

















#### McLeod, MT – 1996 A. lacertosa









