



THE CONNECTION

Economic Development and Our Community

*The Economic Impact
of a Total Eclipse*

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Economic Impact Analysis

In this special edition, we summarize some popular predictions on the economic impact of the once-in-a-lifetime total solar eclipse that will take place over the Dallas/Fort Worth (DFW) Metroplex on Monday, April 8, 2024.

The ability to model changes that might affect a region's economic activity is important to economic development. One of the more exciting challenges of economic forecasting is identifying the dependencies which connect different sectors of an economy, then attempting to predict how certain changes will work their way to all the participants of that economy. This includes the changes arising from singular events such as the upcoming eclipse.

Perryman Group Findings

Texas-based analysis firm **The Perryman Group** conducted an extensive assessment of the impact the eclipse will have on our state:

Direct Expenditures: Spending on eclipse-related activities by locals and tourists on hotel stays, meals, gas, restaurants, etc., is expected to produce a direct economic benefit of **\$427.7 million**.

Downstream Effects: That economic benefit rises to \$1.4B when downstream multiplier effects are considered.

Multiplier effects are the expanding ripples of economic activity that every dollar spent during the eclipse can have. For example, if a customer spends \$20 at a restaurant, the direct impact of the spending on the restaurant is \$20; But if the restaurant owner spends that \$20 on a new sign that brings in one hundred more customers, the effect of that initial \$20 grows far beyond its direct impact. Following those multiplier effects allows for the true economic impact of the solar eclipse to be assessed. Perryman estimates that in the Dallas-Plano-Irving area alone, eclipse-related expenditures could bring in \$492,516,628. Read the full report at:

<https://www.perrymangroup.com/publications/brief/2024/3/25/economics-of-the-2024-solar-eclipse/>.

The Pitch

Geographer Michael Zeiler estimates that up to one million visitors could travel to Texas for “the event of the century” while UT Arlington Economics Professor Bulent Temel predicts this eclipse will be “the most profitable 22 minutes in Texas history”.

Even after the eclipse has ended, long-term economic gains could be made by communities throughout the Metroplex if they’re able to capture repeat tourism. With its economy currently expanding, DFW is in a good position to do just that.

Sources:

<https://www.kxan.com/eclipse-2024/which-texas-cities-could-see-nearly-500k-tourists-during-the-total-eclipse-2/>

<https://www.texasstandard.org/stories/total-solar-eclipse-texas-economic-impact-tourism-dollars/>

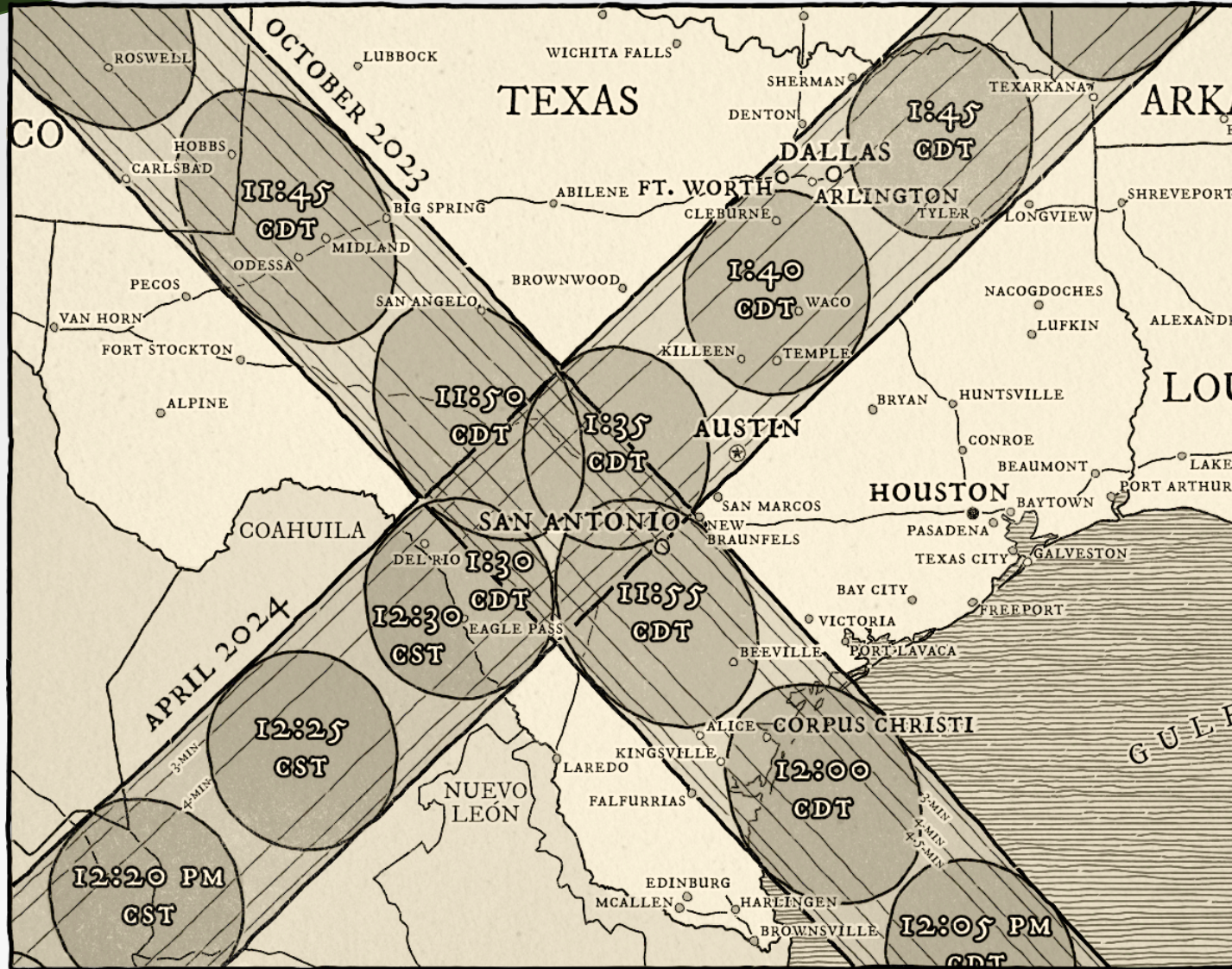
<https://www.dallasfed.org/research/indicators/dfw/2024/dfw2402>.

Across the Metroplex

Dallas area hotels are enjoying increased reservations, as tourists from around the country plan to flock to the Metroplex in search of the ideal conditions for observing this phenomenon. DFW lies along the path across the Earth that will experience the totality –a moment of darkness when the sun will be completely hidden. If the skies remain clear, everyone in Dallas-Fort Worth should be able to enjoy this rare experience.

The University of Texas at Dallas will be hosting several engaging eclipse-related educational events between noon and 3:00 p.m. on April 8 for the benefit of the campus community, our neighbors and guests. For more information and eclipse-viewing safety tips, please visit <https://solar.utdallas.edu/eclipse/>.

Map of Eclipse Paths in Texas – The 2024 solar eclipse's path will move from the southwest to the northeast.



Partial Solar Eclipse Over DFW – October 14, 2023



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