



By: Tomorrow's Affairs Staff

Have you started saving up to watch the 2044 eclipse?



Business people in Montana, North Dakota, and South Dakota are the only ones in the world who can know with 100% certainty today that in 20 years they will make a good profit, no matter what they do.

Moreover, they know exactly which day their cash registers will be full.

These 3 states are the only ones in the US that will be in the zone of the next total solar eclipse, on August 23, 2044.

It will happen on a Tuesday, and perhaps profits will be slightly reduced as some of the eclipse fans will not be able to extend the weekend for 2 more days.

Every eclipse-related business, which is almost every business, has the fortunate circumstance of being dependent on an event that is predictable in the long term and unrepeatable for the zone in which it occurs.

Each following solar eclipse winner has the rare privilege of the possibility of adapting their business plans, preparations, and investments in time for the expected event, which would not let them down.

Greater effects than in 2017

Yesterday's eclipse, like the previous one in 2017, happened on Monday, which for millions of people in the US was an occasion to extend the weekend and enjoy the spectacular natural phenomenon. And, of course, to spend money.

Estimates of the total economic effect of this year's eclipse range widely, and it will take some time to get more accurate results. At least that is what 2017 has taught us.

Estimates range from \$320 million to \$1.3 billion, which was spent only by people travelling to the eclipse zone, and even **up to \$6 billion** as a total boost for the US economy.

There will be many more winners now than 7 years ago

The winners are located in a narrow strip of 110-120 miles that stretches from the south to the northeast of the US, through 15 US states.

There will be many more winners now than 7 years ago, because about 32 million people live in this year's eclipse belt, including some of the big cities like Austin, Indianapolis, and Cleveland.

The previous eclipse was observed in a zone where half as many people lived, about 12 million, and the zone stretched through 12 states. Therefore, the capacity to absorb consumption was much lower.

The biggest winners

The biggest winners are the local entrepreneurs, who hosted millions of visitors. As in previous occasions, the expenses were mostly for accommodation, food, transport, and buying souvenirs.

For local business people, this is a once-in-a-lifetime opportunity, just like the eclipse for its fans, who want to see it up close and are willing to spend money.

On a micro-level, it is perhaps easier to visualise the scale of the economic boost that occurs on the occasion of a mere minute of total eclipse.

Little Rock, Arkansas, one of the cities in the eclipse belt, is expected to receive about 100,000 visitors on the critical days, or half its population. Preble County, Ohio, made plans for 40,000 guests, which is twice its population.

Over the weekend, hotel rates in Austin, Texas, increased by an average of twice the amount compared to "regular" weekends.

In several locations along the eclipse belt, locals charged up to \$50 for parking. This is the same amount as 7 years ago in Greenville, South Carolina, which was fortunate enough to experience the eclipse.

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Safety glasses are an essential item, and while complete sales data is not yet available, one may compare the amount of this one eclipse-related product sold to projections from the previous eclipse.

According to one of them, more than 7 million eclipse glasses were sold through Amazon alone in 2017, at a price slightly higher than \$7.

This year's sales will undoubtedly be higher given that the population in the eclipse zone is now more than double, and the number of tourists visiting them is also greater.

If one views the eclipse as more than just a typical astronomical occurrence, then eclipse years will also be favourable for the stock markets. Between 1900 and 2017, the Dow Jones Index was positive in as many as 10 of the 13 years when the United States had a total solar eclipse.

The dark economic side of eclipse

Given the generally positive feelings towards the eclipse, there will be more discussion about income and carefree spending under the premise that the eclipse occurs "once in a lifetime" than about costs and losses. However, they do exist, and they will not be small.

Even though it was disputed as an exaggeration, a 2017 estimate that the eclipse caused a loss to the economy of close to \$700 million due to reduced productivity during critical days remained valid.



The losers are most often sought among solar energy producers, not only in the US but also around the world

Simply put, employees at that time were more busy debating about the eclipse and spent more time surfing pages about the phenomenon than actual work. Many of them took days off and travelled to spend the spectacular weekend in places where the eclipse was clearly visible.

In such cases, the losers are most often sought among solar energy producers, not only in the US but also around the world. The belt over which this year's eclipse passed is quite abundant in solar panels, and yesterday's event will leave a long-lasting shadow on their business.

Producers in Texas have planned a dramatic decline in production for as long as 3 hours, and their participation in supplying the grid will drop almost eightfold during that period, from 10 GW to about 1.3 GW.

Even if you weren't among this year's direct economic winners of the eclipse, and you won't be in 7 years, there is reason for comfort.

This spectacular phenomenon has always raised economic parameters and social development because it has encouraged curiosity, optimism, and ultimately growth. Other natural phenomena does not have this magical power.