# **Economic Impact of Invasive Species** in Florida

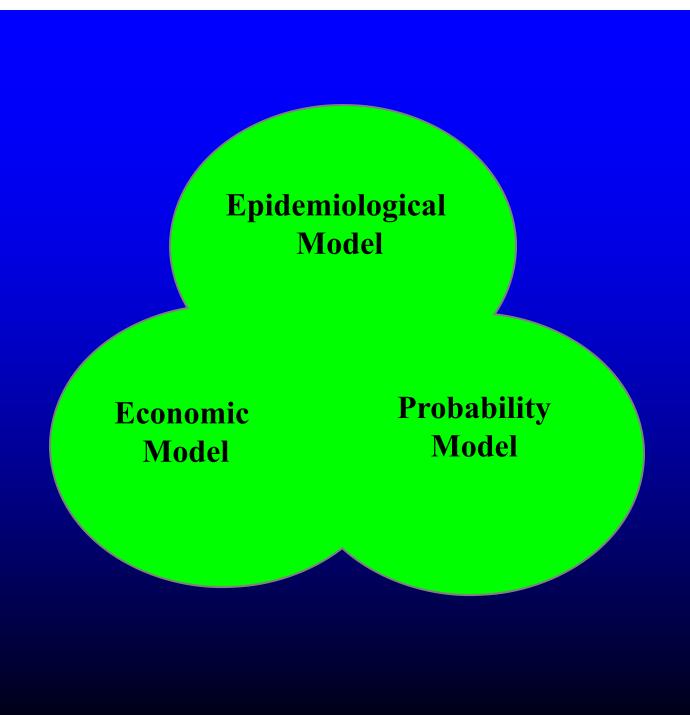


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#### My Role

- Work with and support the efforts of the natural scientists to generate economically viable and environmentally friendly production practices, technologies and production systems
- Assess the economic impacts of pests and diseases and evaluate the various proposed management options in terms of (market and non-market) costs and benefits
- Conduct both farm and market level economic analyses
- Assist with disseminating the information and creating public awareness





Economic Model

Probability Model

Fig. 2. Probability tree for post-entry

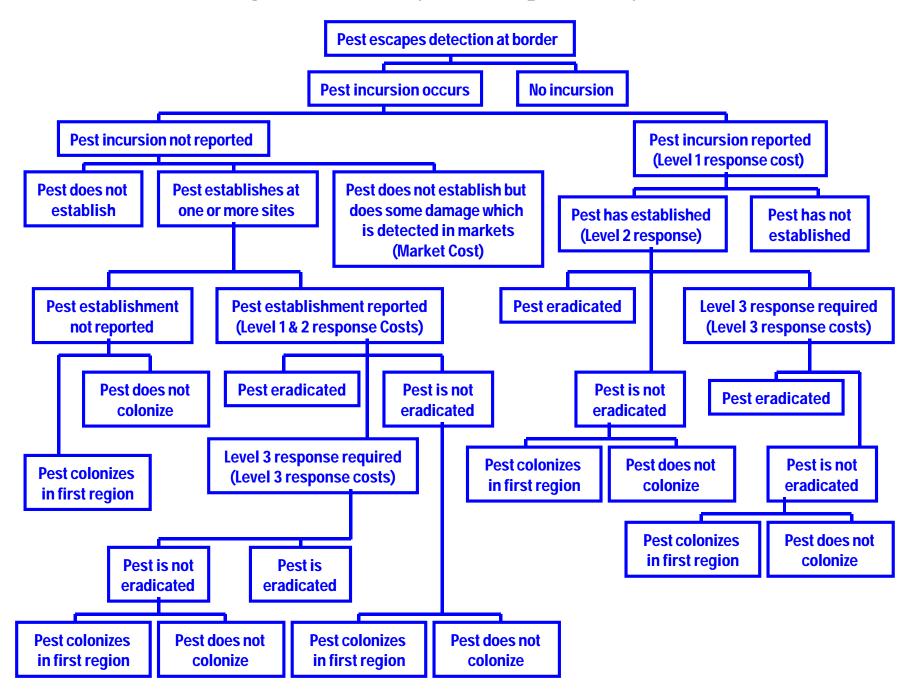
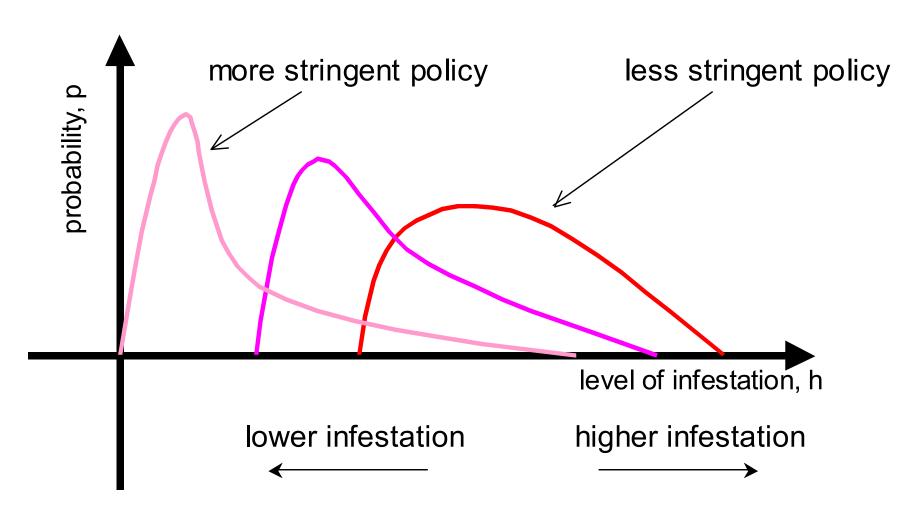
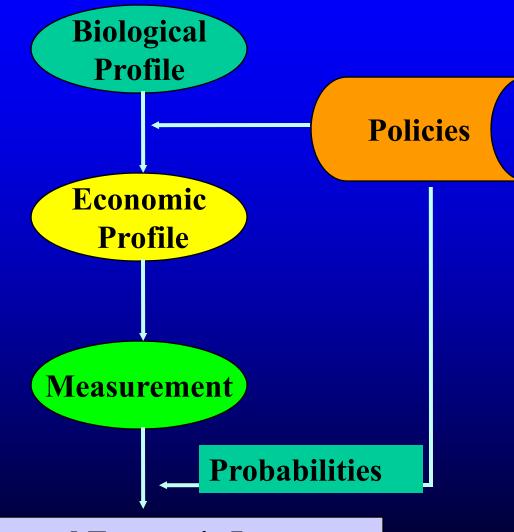


Fig. 3. Pest Infestation from invasive species as a function of policy stringency



#### Integrating the scientific and economic input



Policies will determine the probability of a particular outcome

Measurement of economic impact combine with

**Expected Economic Impact** 

## Assessment of Impacts Example of Economic Profile

Market Impacts

**Non-Market Impacts** 

Direct Pest Effect

- Yield reduction
- Poor quality
- Control costs

Urban mango trees affected

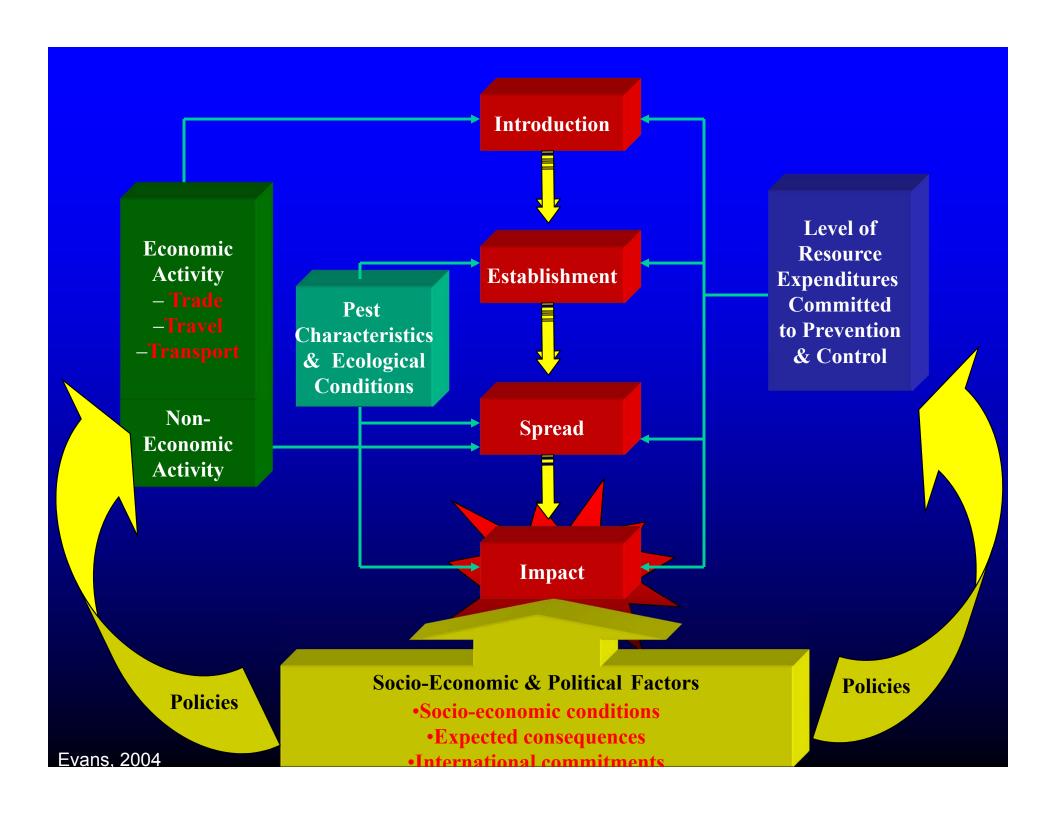
Indirect Pest Effect

- Trade effects
- Unemployment

- Political effects
- Legal battles with homeowners

# **Economic Dimension of the Invasive Species Problem**

Economic activity is a major contributor to the problem of invasive species



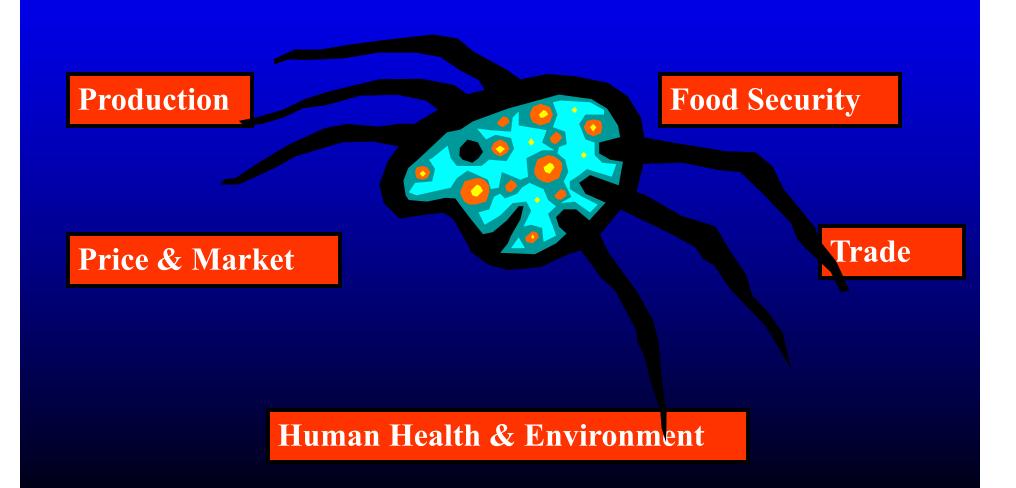


### Types of Socio-Economic Impacts of Invasive Pests and Diseases

 Reduction in domestic food supply or ability to se •Difficult to assess because in most cases antities and earn foreign exc impacts i fully understood supplied Serious concern for ciated ductivity; loss of biodiversity; Reduce countries es vironmental and ecological disruptid service ced extent of d Measures to control, eradicate or and supply mitigate invasives have budgetary Could lose implications; costs of production in export m Price & Include compliance costs, costs of premium as inspections, monitoring, prevention and disease-fre response Increased management costs; R& D; costs associated with loss of efficiency Hu

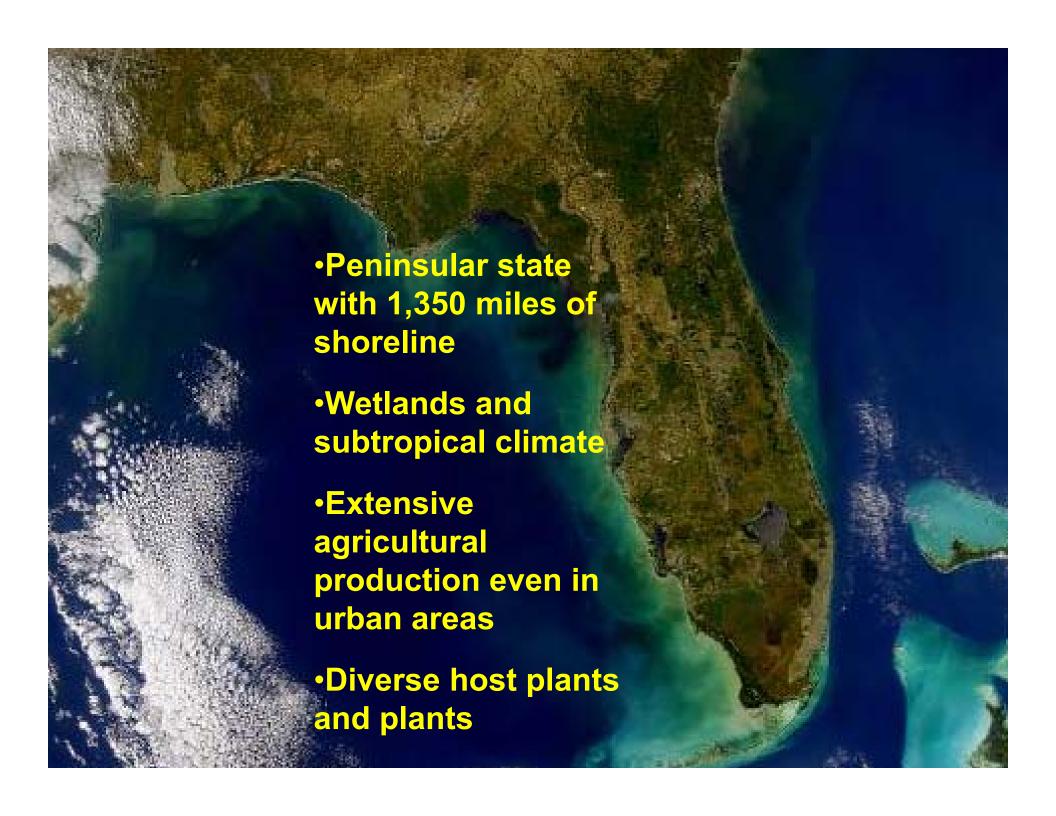
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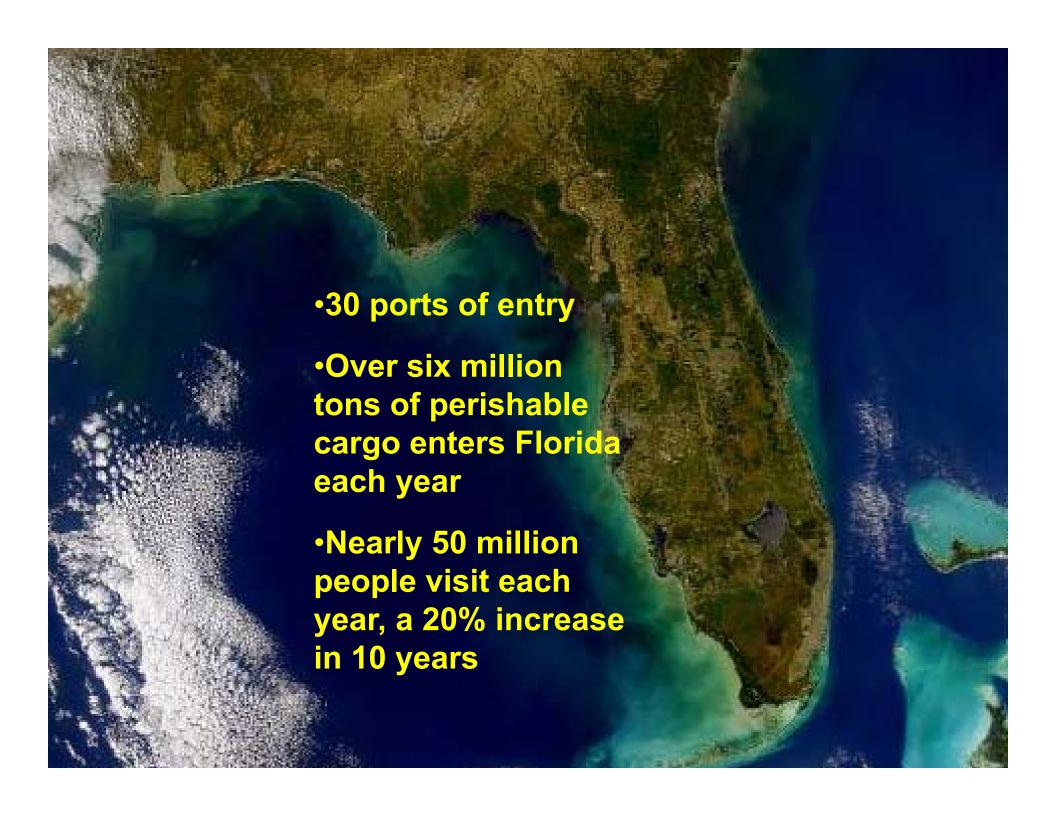
**Financial Costs** 

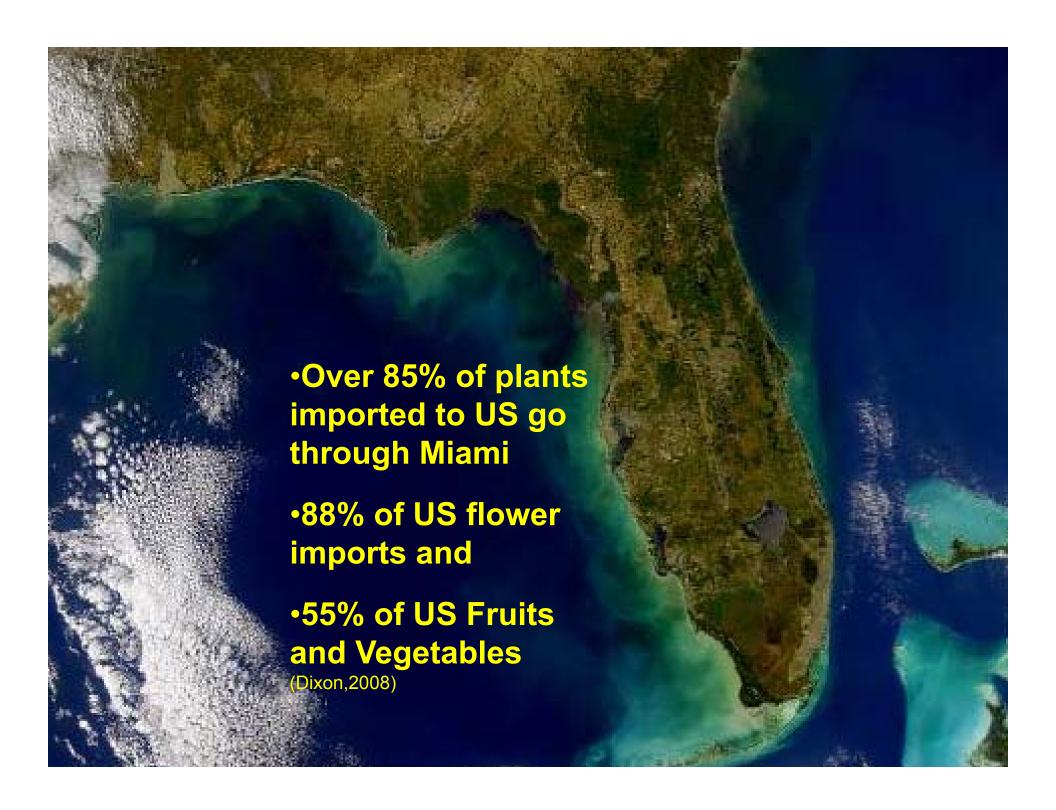


# Florida Economy and the Issue of Invasive Species

 Florida is the most vulnerable mainland state in the USA for invasive pest's introduction and establishment.







# Florida Economy and the Issue of Invasive Species

- Florida is the most vulnerable mainland state in the USA for invasive pest's introduction and establishment.
- On average Florida receives one new pest every month
- Agricultural trade & pest interceptions at ports of entry have been doubling every 5-6 years.
- With increased trade liberalization and as east west trade has increased many invasives now come from Asia.

#### Florida Agriculture

Invasive species represent a significant economic risk to both the financial viability of Florida's agricultural producers and the sustainability of the sector

## Estimates of Control and Damage Costs in Florida Agriculture

Plant/Animal Pest/Disease	Ind. Control Cost/yr (\$'M)	Potential Sales Loss/yr (\$'M)
Citrus Canker &Citrus Greening	29	750
Thrips palmi	20	3.5
Brown Citrus Aphid	30	5.2
Citrus Leaf miner	32	5.5
Leatherleaf Fern Anthracnose	33	20.0
Others	27	727.8
Total Roberts.2005	171	1,512

## Estimates of Control and Damage Costs in Florida Agriculture\*

Invasive Species	Ind. Control Cost/yr (\$'M)	Potential Sales Loss/yr (\$'M)
Weeds	101	558
Vertebrate (Feral Pigs)	100	_
Insects and Mites	126	328
Plant Pathogens	13	533
Microbes and Parasites	n/a	224
Total	340	1,643

<sup>\*</sup> Compiled by author based on information obtained from Pimentel, 2005

## Estimated Economic Impacts of Crop and Livestock Losses from Selected Invasive Species

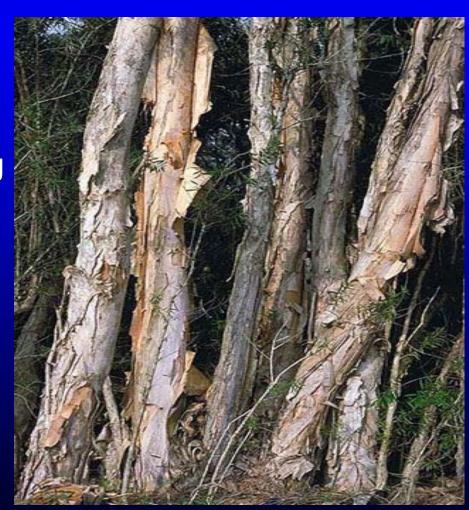
Key Indicator	Unit	Impact			
		Direct	Indirect	Induced	Total
Sales/Output	\$'M	1,643			
Value Added	\$'M				
Labor Income	\$'M				
Indirect Business Tax	\$'M				
Employment	Jobs				

### Estimated Economic Impacts of Crop and Livestock Losses from selected Invasive Species

Key Indicator	Unit	Impact			
		Direct	Indirect	Induced	Total
Sales/Output	\$'M	1,643	474	1,840	3,957
Value Added	\$'M	1,061	263	1,130	2,453
Labor Income	\$'M	481	195	778	1,454
Indirect Business Tax	\$'M	59	24	85	168
Employment	Jobs	18,345	9,189	20,925	48,458

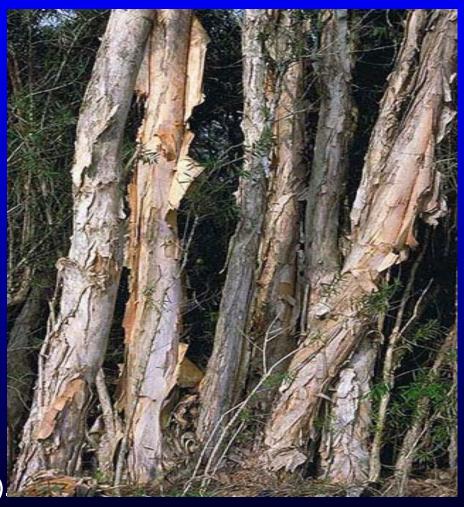
#### Melaleuca in Florida

- Occupies about 500,000 acres in South Florida.
- Florida agencies have spent an estimated \$25 million on its control during past decade (Pratt and Ferriter, 2001).
- Approximately 100,000 acres of natural area have been cleared of Melaleuca (Laroche, 1999).
- Poses a threat to economically viable uplands and ecologically sensitive wetlands.



#### Melaleuca in Florida

A benefit-cost analysis of Melaleuca control programs in 2003 estimated total social benefits of \$23 million and total costs of \$13 million, indicating a very strong benefit-cost ratio (1.76), which justifies continued public support or expansion of funding for control programs (full report of the Socioeconomic Impacts of Melaleuca Control in Florida by Hodges and Evans is available online at http://www.economicimpact.ifas. ufl.edu/publications/Melaleuca% 20socioeconomics%202007.pdf



#### **Concluding Remarks**

- Invasive species affect all aspects of our lives;
- Florida is being over-run by an army of invasive alien species
- Sufficient resources are not available
- When the evidence of impacts can be quantified and communicated reliably a wide range of constituencies can be motivated to support an effective response.

