Pay Now, Pay Later: Montana

Montana’s $2.4 billion agriculture sector is expected to lose up to $79 million a year due to climate change by 2050. In 2008, Montanans spent $50 million fighting wildfires; the state now faces a 175-400% increase in wildfire burn areas due to increasing global temperatures and drier lands. Leasing 20 acres of land to wind energy producers—about 1% of a typical Montanan farm—can earn the renter more than $100,000. According to a new study, a failure to mitigate the effects of climate change could begin to cause serious gross domestic product and job losses as early as 2010 through 2050. Montana is expected to make small gains as an adequate water supply attracts migrants from other states, translating to an increase in economic activity. Montanans could gain $900 million in GDP and nearly 13,000 jobs.

Pay Later: The Costs of Inaction

Average temperatures in Montana have increased 3°F since 1950 and are expected to increase a further 6-7.5°F by 2050. Montana’s two largest sectors—recreational activities and agriculture—are especially vulnerable to rising temperatures. These sectors each account for roughly 15% of the gross state product, $35.9 billion in 2008. Furthermore, rising temperatures will directly affect Montanan health, access to vital natural resources, and job security. The tourism, recreation, and agriculture industries will be directly affected by climate change.

Threatened National Parks

Approximately 10 million out-of-state tourists visit Montana every year to take advantage of its beautiful national parks and abundant wildlife. The state’s $2.5 billion hunting, fishing, and outdoor recreation industries indirectly and directly support over 34,000 Montanans. Tourism in Montana centers primarily on outdoor activities such as hiking, camping, hunting, and fishing. Climate change, however, threatens to affect each of these pastimes.

Rising temperatures will force animals to seek colder climates and will therefore reduce the state’s attractiveness to anglers, fishers, and hunters. By 2060, for example, the state’s coldwater trout and salmon population are expected to lose 34% of their suitable habitat in the state.

In 2007, Glacier National Park generated over $101 million for the local economy.
As a land-locked state, Montana is shielded from the direct effects of hurricanes and rising sea levels. However, it is particularly susceptible to wildfires. Montana spends approximately $18 million each year on wildfire suppression—this figure spiked to nearly triple this amount, $50 million, in 2008. The rise in temperatures will begin drying out wide sections of the state, thus placing more and more of the population and property in especially vulnerable and susceptible regions—an increase of 175% in wildfire burn areas, according to environmental models.

**Costs to the Montanan Family**

The effects of rising temperatures will also be felt at home. If Montana does not adjust current policies, the state will face a tremendous water shortage in the coming years, which will affect all residents.

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**Pay Now: The Benefits of Taking Action**

Montana will benefit tremendously from maximizing its renewable energy potential. For example, economic models predicted that the 2003...
McCain-Lieberman Climate Stewardship Act, which was voted down, would have generated 1,400 new jobs by 2015, reaching roughly 2,300 ten years later.\(^9\)

Moreover, Montana ranks 2\(^{nd}\) in the nation in wind energy potential; harnessing this potential would pay great dividends to the state’s economy. A **investment sufficient to produce 12.4 million megawatt-hours of electricity per year can generate 1,050 permanent jobs and contribute $150 million to the local economy**.\(^{20}\) A 2,000-acre farm, the standard in Montana, could bring in over $100,000, leasing only 20 acres to wind energy producers.\(^{21}\) Ultimately, Montana can create up to 6,000 jobs by realizing its renewable energy potential.\(^{22}\) **Efficiency measures to cut natural gas usage by 10% and electricity usage by 15% by 2020 would cut state costs by $342 million each year, saving each resident $350 annually.**\(^{23}\)

### Conclusion

Montana must consider action on climate change not just in terms of cost, but also in terms of opportunities. If we give Montana’s population, businesses, and investors clear and consistent signals by properly offering initiatives and cultivating demand, investment and innovation in renewable technologies will follow.

**Montana will have to pay for the effects of climate change.** The only remaining question is whether they will pay now, or pay later and run the risk of paying significantly more.

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(Endnotes)


2. Center for Health and the Global Environment, 1.


11. Ibid.

12. Ibid.
13 Ibid.

14 Ibid.


16 Center for Health and the Global Environment, 2.

17 Ibid., 1.

18 Science Daily.

19 Environmental Entrepreneurs, 1.


21 Environmental Entrepreneurs, 2.
