Winter weather’s cost can have a snowball effect

Have you seen more of your kids recently? Me too. With the Guilford County Schools closing at the weather-equivalent of the drop of a hat (4½ days for one inch of snow?), the Brod house has been full of the sounds of young children on weekdays.

If yours is a dual-earner family with school-age children, you know the routine. As soon as snow was in the forecast, my wife and I started our standard snow-day negotiations. Which of us had the more important meeting? Which had the more pressing deadline? One of us had to be with the kids, and that meant one of us wouldn’t be getting much work done. Being able to work at home alters but ultimately doesn’t change the equation.

It wasn’t always thus. Before the 1970s, dual-earner families were in the minority. In the world of “Leave it to Beaver,” parents generally didn’t have to do the snow-day dance.

A school closing meant that school-age children stayed home with the parent who was there anyway (usually the mother). If the snow wasn’t horrendous, the working parent (usually the father) went to work. No productivity was lost.

Not so for my wife and me. Regardless of how we split the child-care duties, whether 50-50 or 75-25, we lose half of our aggregate productivity on snow days. Of course there are other reasons

Andrew Brod is a senior research fellow in UNC’s Center for Business and Economic Research. Reach him at 336-707-6439 or AndrewBrod@uncg.edu. An archive of his columns is available at http://cber.uncg.edu.

productivity is lost due to severe winter weather. Businesses close, airports shut down, etc. All that lost productivity can add up. In the first quarter of 2014, the economy actually shrank at an annual rate of 2.1 percent.

Economists pointed to winter storms, and that was confirmed by stronger-than-average catch-up growth in the next two quarters. It’s possible we’ll see something similar this year.

All this leads me to wonder: Would the same bad weather have caused the economy to contract in the 1950s? Does the greater prevalence of dual-earner families today aggravate the economic impact of severe winter storms? Our aging infrastructure tends to break down when winter is at its worst, making the economic losses even larger. Without good research, however, we can’t separate the dual-earner effect from these other factors.

The good news is that we appear to be done with snow days for this winter. My wife and I will have to find other things to negotiate about this spring.

The economic cost in terms of lower GDP goes beyond property damage. One of the biggest factors is income lost by hourly workers, who don’t get paid if they can’t get to work. Industrial output falls when there are no workers to produce the goods. Stores and restaurants lose sales when people can’t (or won’t) leave their homes. And winter weather can wreak havoc on shipping and supply chains, from trucking to air cargo.

Even if my dual-earner hypothesis is correct, it’s not the only factor increasing the economic cost of severe winter weather. We know that climate change is causing more frequent extreme-weather events, including winter storms. Our aging infrastructure tends to break down when winter is at its worst, making the economic losses even larger. Without good research, however, we can’t separate the dual-earner effect from these other factors.

The good news is that we appear to be done with snow days for this winter. My wife and I will have to find other things to negotiate about this spring.