



Introduction to Damage and Reconstruction Needs Assessment

Readings

SUMMARY¹

1. Disasters are clearly a development problem. First, because certain natural phenomena, including those of a hydrometeorological, geoseismic and vulcanological origin tend to have greater effects on developing countries than on developed countries. Second, because several factors associated with a low level of development, as will be seen below, exacerbate such effects. Third, because the impact of natural phenomena on the prospects for long-term development is considerably greater in less developed countries².

2. While the effects of natural disasters are a development problem, confronting them in a systematic and coherent fashion — in their causes, and in prevention, mitigation, reconstruction and transformation to reduce vulnerability— must be an explicit objective of development strategies. It was no coincidence that 95% of the deaths due to natural disasters in 1998 were in developing countries, nor that, for some of these countries, certain natural phenomena had a devastating on their populations, welfare and development prospects, while in developed countries the effects on economic activity and population are marginal.

3. The term vulnerability has taken on increased importance and finds itself on the international agenda again due to the ever greater magnitude of disasters. In general terms, it may be defined as the probability of a community, exposed to a natural hazard, given the degree of fragility of its elements (infrastructure, housing, productive activities, degree of organization, warning systems, political and institutional development), suffering human and material damages. The magnitude of such damages is, in turn, related to the degree of vulnerability.

4. Latin America and the Caribbean region are highly exposed to potentially destructive natural phenomena — meteorological, seismic, vulcanological and others. Together with this high degree of exposure to potentially destructive natural phenomena, the region's great vulnerability — social, economic, physical, environmental and political and institutional— means that it is affected by a high and growing number of natural disasters.

5. The reasons for the high vulnerability of Latin America and the Caribbean are varied and complex. There is no doubt that the development pattern followed by most countries, with high rates of poverty, socioeconomic exclusion and environmental damage, is a leading factor. In these countries, the poor, and among these, women, children and ethnic minorities, are the most fragile and vulnerable population groups. The poor live in the greatest risk areas, use environmentally damaging farming techniques or work marginal land, have less access to information, basic services and pre and post disaster protection. This greater vulnerability of poor population groups is also related, where democratic political systems are limited or precarious, to their scarce possibilities of participation in public politics. In many ways, poverty closes and exacerbates the vicious circle of disasters.

¹ Excerpt from 'A Matter of Development: How to Reduce Vulnerability in the Face of Natural Disasters' ECLAC and IDB

² A broader consideration of disasters as a development problem should include the repercussions that the policies followed by developed countries have had on some threats, such as climate change and the processing of radioactive waste.

6. The scale of human and economic damages caused by natural disasters in Latin America and the Caribbean is staggering by any set of measurements. Some estimates put the affected (directly and indirectly) population at 150 million. And according to the figures compiled by the Economic Commission for Latin America and the Caribbean (ECLAC), between 1972 and 1999 alone the number of dead reached 108,000 and the total of those directly affected exceeded 12 million.

7. The total damages covered by the assessments made by ECLAC between 1972 and 1999 amounts to more than 50 billion dollars. The true figure for human and material damages is much greater because ECLAC has only assessed damages when governments have asked it to, and because such assessments only cover a fraction of the disasters faced by the region.

8. In addition, assessments of damages caused by natural disasters should include their highly disturbing effects on the emotional stability of affected populations and the dislocation of large population groups, with important impacts on social and political stability. Major political and social crises have arisen from these catastrophes and as a result of the quality of the governmental response, highlighting the importance of political and institutional factors when considering this subject, both from the perspective of vulnerability prevention and reduction and that of the effects of the natural phenomena themselves.

9. There is no one given behaviour or pattern in the effects and scale of the damages caused by different disasters. Rather, the resulting pattern is determined by a combination of factors including the size of the economy and its situation before the event, the structure of production, the nature and scale of the phenomenon, the moment (time and duration) at which the disaster takes place, the degree of social organization and participation, political and institutional capacity, and the way in which the government, society and the international community face the problem. However, as a general rule, smaller and less developed countries suffer significantly greater damages.

10. The long-term impact of catastrophes may be manifested in different ways (damages in economic and social infrastructure, a change of priorities, environmental changes, external or fiscal disequilibrium, inflationary processes, negative income redistribution, changes in demographic structure, etc.). The long-term macroeconomic effects are reflected in a large number of variables and may be summarized as a downtrend in per capita income. The experience of Latin America and the Caribbean confirms the hypothesis that there is a high correlation between gross domestic product (GDP) growth and the annual number of disasters³. One of the most important effects of a disaster is the immediate worsening of national living standards. This effect, albeit mostly concentrated in the directly affected population living in the area where the disaster was most violent, generally affects a country's entire population in one way or another. In some cases irradiation even reaches neighboring countries (migrations, vector transmission, increased risk due to deterioration in watersheds, reduced demand for imports, interrupted communications, etc.).

11. All things considered, the long-term effects of disasters seriously affect countries' prospects for development. This calls into question at least two aspects related to a country's development strategy: first, understanding that resources earmarked for preventing and mitigating the impact of natural phenomena are a very high-yield investment, both in economic and social and political terms, in line with long-term growth. Second, the spending actions and decisions that are taken once a phenomenon has arisen, must be seen from the perspective of reducing vulnerability, in other words, in a combined reconstruction and transformation approach aimed at positively and progressively modifying the degree of vulnerability and, therefore, the prospects for future development.

³ See Ken Sudo (1994), review *Disasters* No. 17, January-February.

12. Vulnerability reduction is a key investment, not only to reduce the human and material costs of natural disasters, but also to achieve sustainable development. To put it another way, such investment is highly profitable in social, economic and political terms. Therefore, vulnerability reduction must be a fundamental part of a systemic and comprehensive vision of development.

13. An appropriate vision of a comprehensive development strategy must be based on four pillars: competitiveness, equity, governability and vulnerability reduction. The first two, competitiveness and equity, are beyond the scope of this document, and it will deal with vulnerability reduction and the related aspects of democratic governability⁴.

14. Making a link between vulnerability reduction and governability is justified not only because "there is a direct relationship between economic development and the quality of the process of government",⁵ but also because in the past too little attention has been paid to political and institutional vulnerability, except when those agencies specifically responsible for catastrophe management are under examination (civil defense, emergency commissions, etc.). However, political and institutional vulnerability, understood as institutional weakness as a whole, and more specifically the weakness of the democratic system, has often been seen as one of the major causes of vulnerability where natural phenomena are concerned and, in turn, even as a cause underlying other forms of vulnerability. Indeed, the weakness of the democratic system has negative consequences for the efficiency of public policies, the legitimacy of government action, participation by citizens and the private sector in national efforts, linkage with local governments and civil organizations, the handling and management of emergencies, the processing of citizens' demands and needs, and the ability to meet them.

15. There is a close relationship between the need to reduce vulnerability and the increase in the organizational and participatory capacity of communities, the private sector and government. It is equally necessary that the international community bring its policies into line with this vision of vulnerability reduction as a basis for sustainable development. The limited vision of institutional capacity that has prevailed until now, has often led to the creation of institutions guided and managed with criteria that are not participatory, with centralized procedures, limited to emergency response with neither prevention nor foresight, with vertical structures and very low budgets. Moreover, in some cases legislations do not even explicitly define the concepts of prevention and mitigation. However, the process of democratization, including greater mass media penetration and the resulting sensitivity to these problems, is giving rise to more comprehensive risk management efforts, that increasingly include the necessary linkage among central governments, local governments and civil organizations, together with a more coordinated and effective international aid effort.

16. A vulnerability reduction strategy as a basis for sustainable development must follow several basic action lines the most important of which are comprehensive risk management, the strengthening of macroeconomic capacity, active policies to reduce the most acute distortions, the coordination of regional and subregional policies, the strengthening of the democratic system and the increase, reorientation and coordination of international aid.

The natural phenomena capable of causing damages to the populations and economies of countries, and by extension to their social and political systems, are part of the geodynamic processes of the life of the planet. The same cannot be said of their effects, which can be avoided

⁴ The Inter-American Development Bank (IDB) and ECLAC for many years have been researching the relationship between equity and development, and the conditions for a competitive international insertion of the countries of Latin America and the Caribbean. In addition, it must be clear that although this document does not deal with equity in itself, reducing poverty and degrees of socioeconomic exclusion is a priority of any vulnerability reduction strategy

⁵ IDB (1996), *A frame of reference for Bank action in Programs for modernization of the state and strengthening of civil society* (GN-1883-5), March 13.

or reduced substantially. It was no coincidence that 95% of the deaths due to natural disasters in 1998 were in developing countries, nor that, for some of these countries, disasters that in developed countries have marginal effects on the population and economic activity as a whole, had devastating effects on the standard of living of their populations and their development prospects.

Natural disasters are clearly a development problem. First, because certain natural phenomena, including those of a hydrometeorological, geoseismic and vulcanological origin tend to have greater social, economic, environmental and political impacts on developing countries than on developed countries. Second, because several factors associated with a low level of development, as will be seen below, exacerbate such impacts. Third, because the impact of natural phenomena on the prospects for long-term development is considerably greater in less developed countries.

While the effects of natural disasters are a development problem, confronting them in a systematic and coherent fashion — in their causes, and in prevention, mitigation, reconstruction and transformation to reduce vulnerability— must be an explicit objective of countries' development strategies.