

3rd International Disaster and Risk Conference IDRC Davos 2010

PRESS RELEASE

Davos, Switzerland – Some of the world’s top experts on catastrophic risk prevention are conveying sobering news to the biannual International Disaster and Risk Conference IDRC Davos 2010 meeting here in this pristine Alpine town.

One such messenger, Stanford University engineering professor Haresh Shah, put it bluntly to some 800 assembled members of the “disaster community”. He considers it “not unlikely – more than a 50/50 probability” that a half million people will die in an upcoming natural or man-made disaster.

Hence the Global Risk Forum GRF Davos that is hosting this event has called for a move “from thoughts to action”. It already has its work cut out.

Professor Shah, who has spent much of the last 50 years in the “disaster-prevention game”, notes that the last 25 years have seen “some great solutions” emerge – even as the number of global catastrophes increased.

Arguably the most crucial recent idea, he told fellow experts here, is the role of micro-credits to ease suffering among poor victims of what insurance underwriters call “events”: earthquakes, volcanic eruptions, hurricanes, fires, floods, droughts, and now even oil-well spills.

So what steps rank highest on the experts’ agenda to prevent or at least reduce such global threats?

The Swiss Development Corporation (SDC) head of staff for humanitarian aid, Beat von Daeniken, suggests that his country’s use of cash-transfer payments now plays a vital part of rescue relief strategies.

“You need to make funds for food, roads, and building available quickly,” he insists. “We give budgeted money to the affected countries relief systems, and they distribute it to those in need.”

According to Daeniken, this strategy proved itself during the chaos that followed Haiti’s devastating earthquake.

“Normally cash transfers work very well,” the SDC official says. Even in Port-au-Prince – a capitol with a weak infrastructure that totally collapsed after the earthquake, the system showed itself “practical” in a crisis. It provided \$5 a day to workers in the UN-sponsored clearing and clean-up program.

“From Thoughts to Action”

Daeniken’s countryman, Reto Schnarwiler, who heads reinsurance giant Swiss Re’s “public sector”, firmly supports the SDC approach for moving funds quickly to prop up relief efforts. He calls Mexico “one of the biggest success stories” for its system of providing macro-insurance in such crises.

The Swiss Re official also points to a grouping of 16 Caribbean countries as exemplary in guarding against the results of earthquakes and hurricanes. And he hailed SDC’s “efficient mechanism” of speeding payments to Haiti within two weeks of its earthquake.

Moreover, Schnarwiler credits Malawi impressive government response to a persistent drought. He says the public/private approach puts the bureaucratic side of planning the relief effort in government hands while leaving it to the private sector to carry it out. He calls it a “very efficient” model for handling government aid.

This said, natural disasters can reap havoc for years. Saroj Kumar Jha, the program manager of the World Bank’s global facility for disaster reduction and recovery in Washington, DC, offers evidence of this in Haiti’s case.

The World Bank provides seed money to governments like Haiti’s to set up development programs. According to Jha, Haiti had made fair progress before the 12 January earthquake, but its economic “growth” figure in 2010 reflects an 8% loss.

“It effectively wiped out decades of achievement in alleviating poverty,” he says.

Geneva-based UN emergency management expert Muralee Thummarukudy confirms the earthquake’s toll in human-misery terms: 230,000 deaths, more than 300,000 injured, and 1.3 million homeless after the collapse of 200,000 houses.

Rebuilding teams, Thummarukudy says, will focus on use of hollow concrete blocks instead of wood. “There’s no need for wood in Haiti,” the UN official explains, “since the only wood available lies below the rubble of collapsed building structures.”

Yet the picture looks a bit rosier in some other countries. The World Bank official mentions Gambia’s progress in giving “a very high level of commitment” to its development goals.

But the problem for democratic politicians worldwide, Jha admits, is remaining in office long enough to see long-term development programs bear fruit.

“It’s tough to commit to a long-term agenda,” he says, “when you have to go back to the voters every three or four years.”

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