

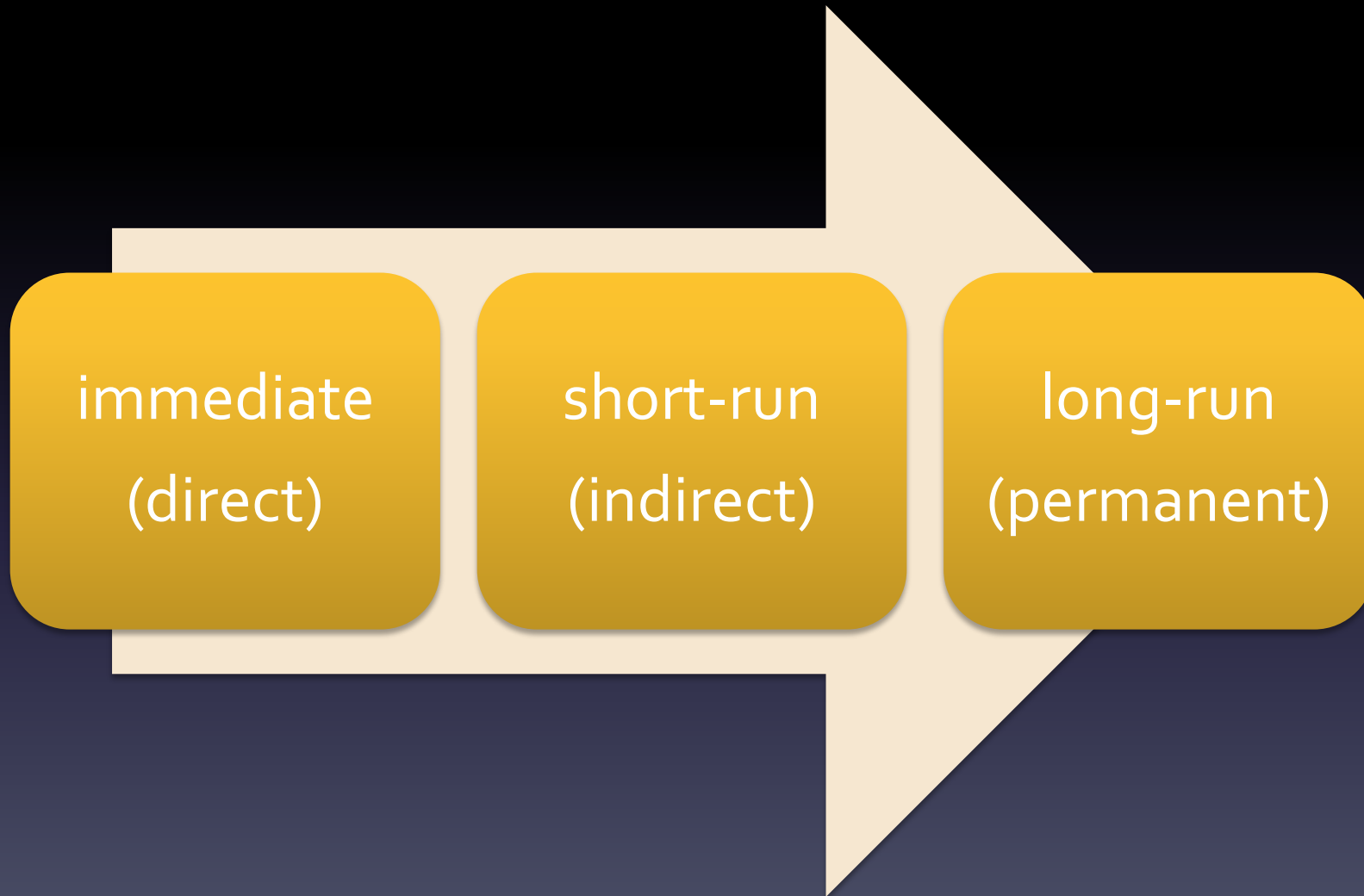
Impacts of Disasters

An aerial photograph showing a vast area of flooding. In the center, a large, white, multi-story building with a prominent gabled roof stands partially submerged in water. The surrounding landscape is a dense forest of green trees, many of which are also partially underwater. The water is a light blue-grey color, and the overall scene depicts a significant natural disaster, likely a flood.

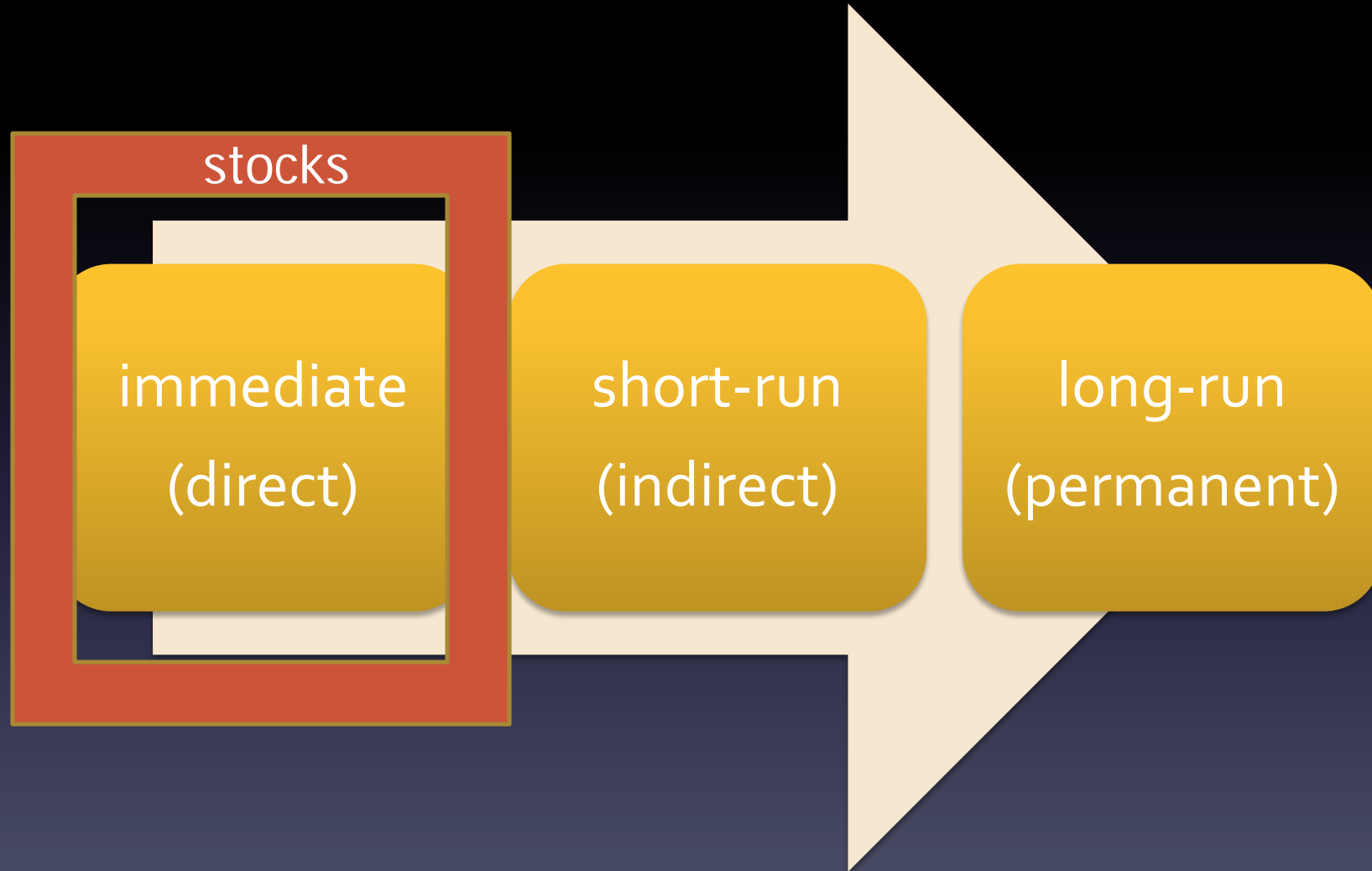
Ilan Noy (Victoria University of Wellington)

What are the (socio)economic impacts of large disasters?

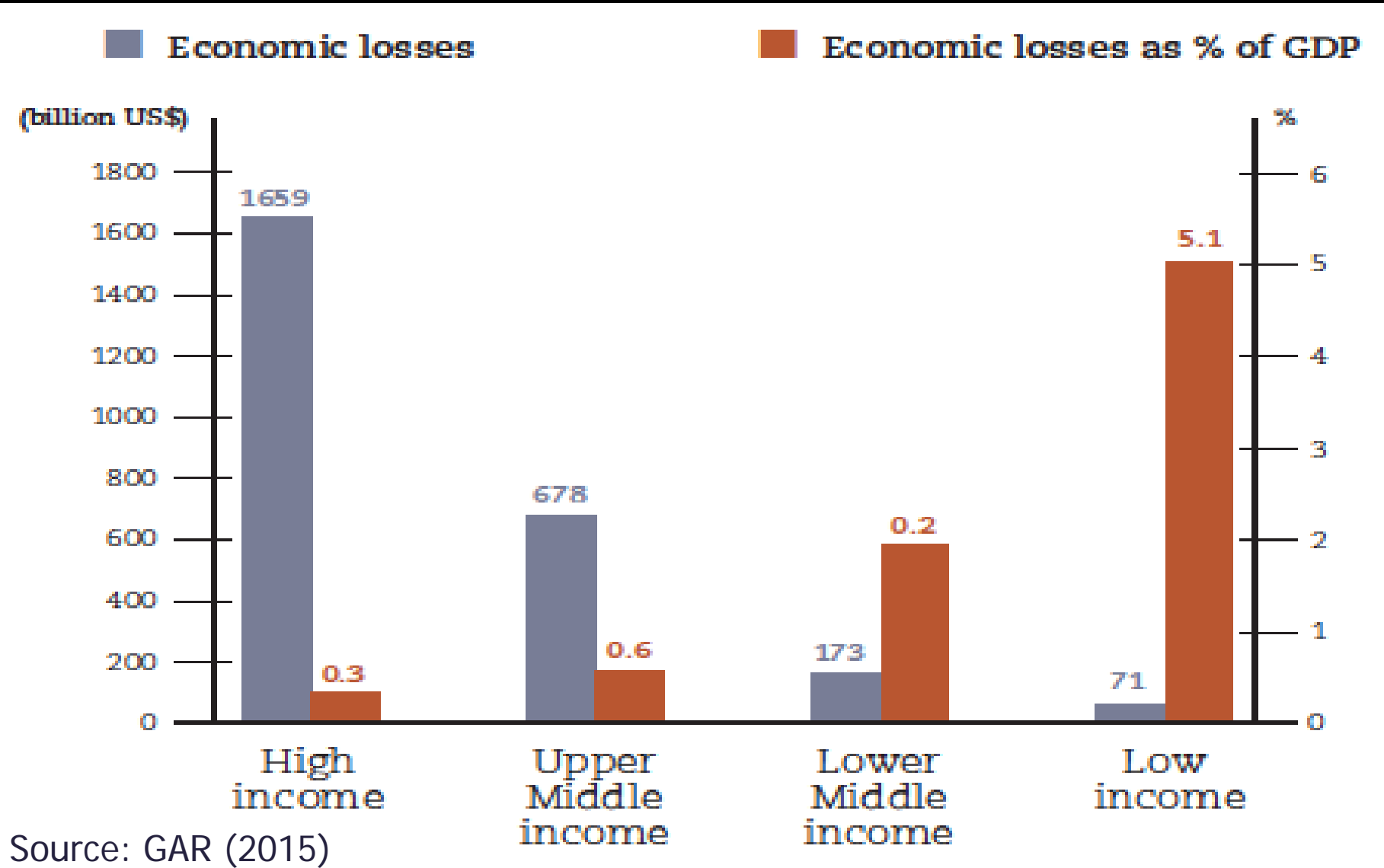
What happens when a disaster strikes?



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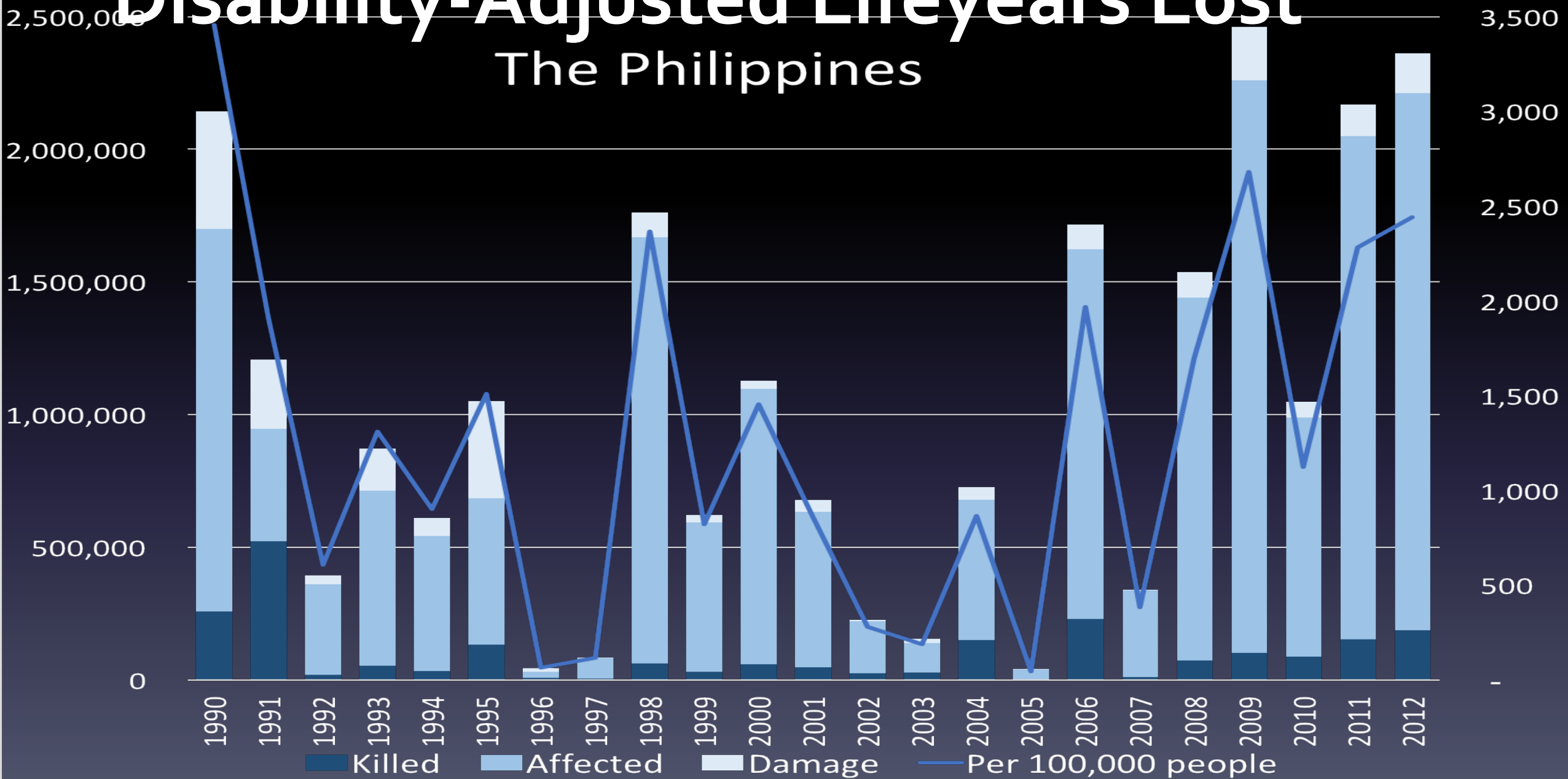


Direct Economic Losses

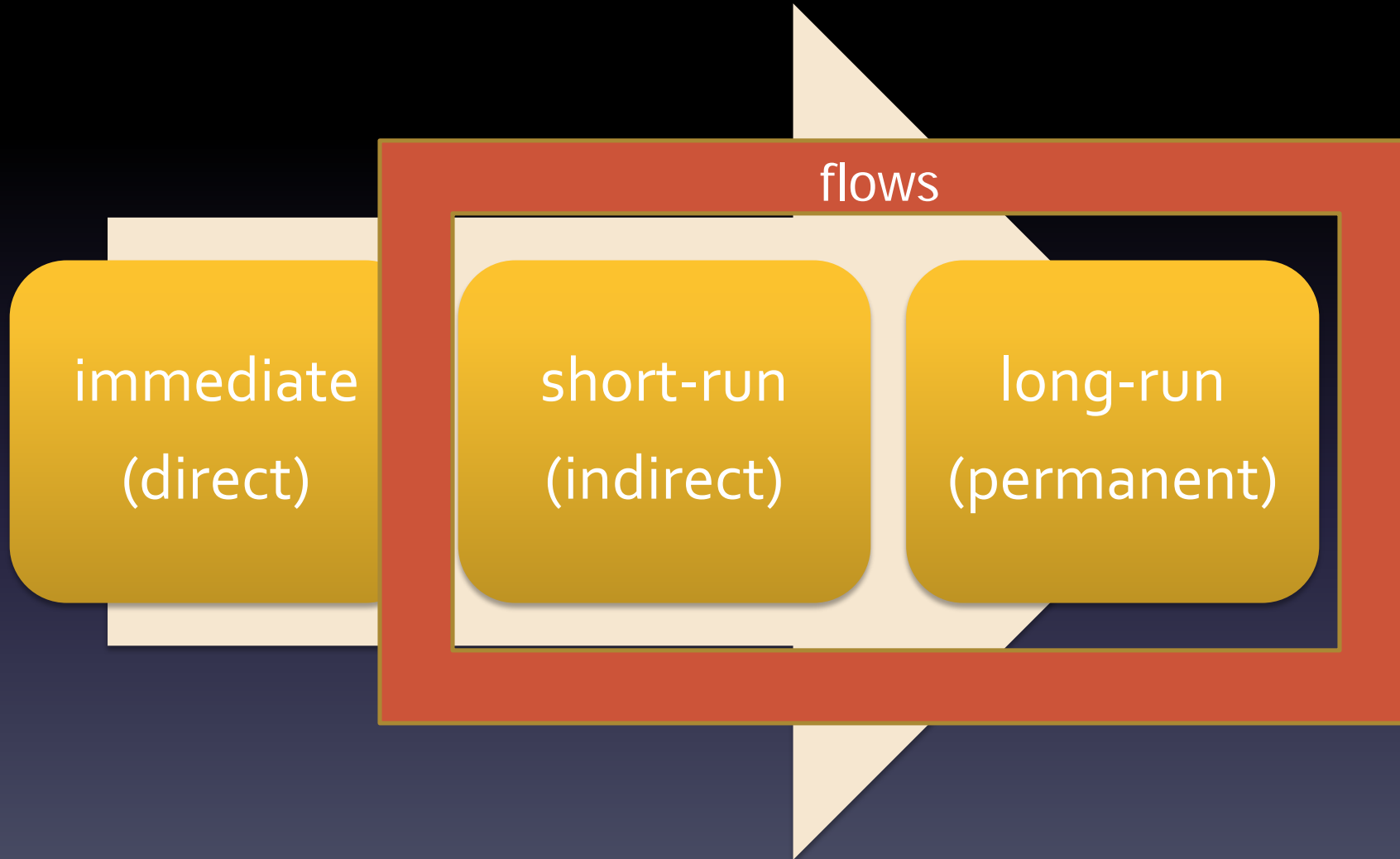


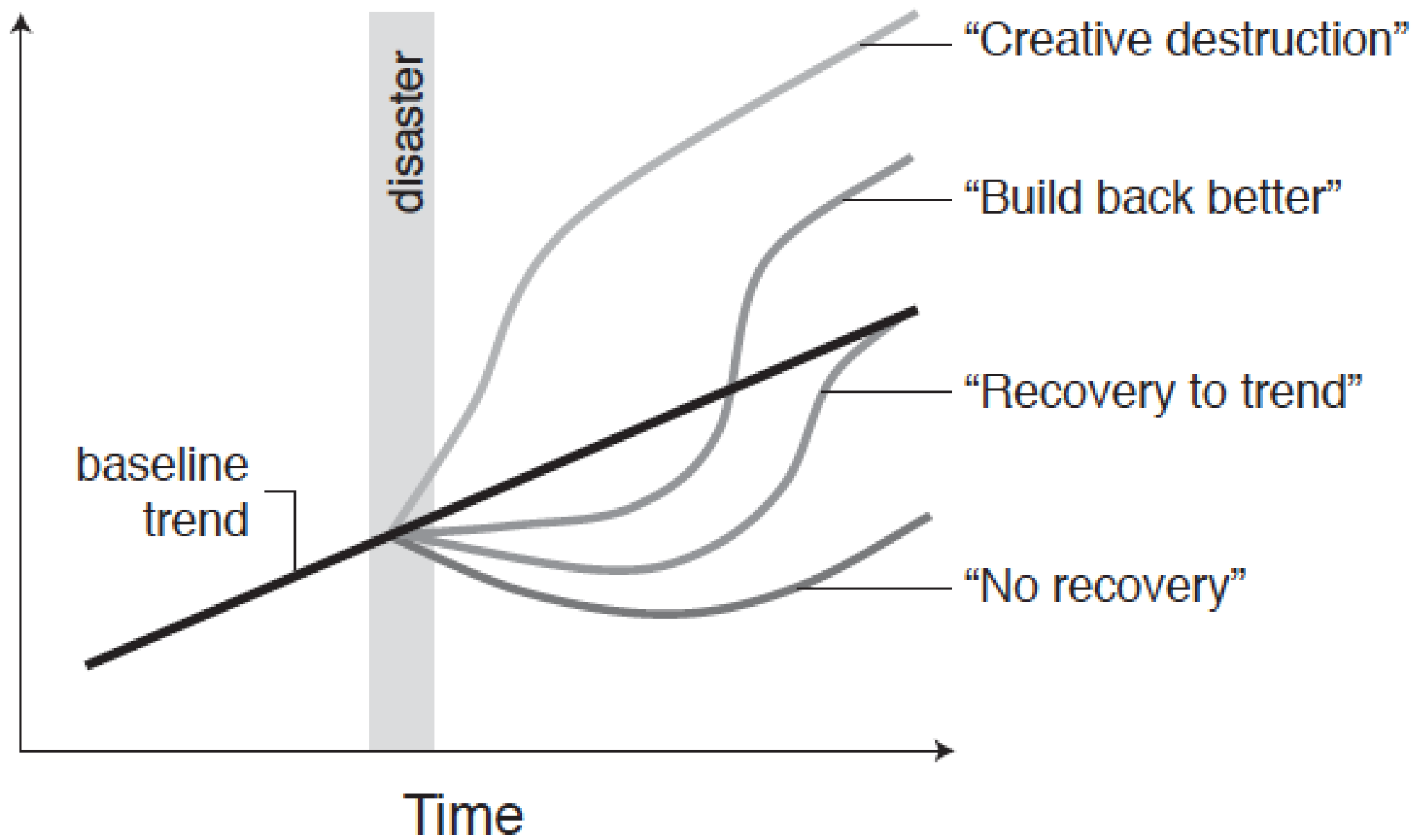
Disability-Adjusted Lifyears Lost

The Philippines



What happens when a disaster strikes?





An old and common answer...

“...what has so often excited wonder, the great rapidity with which countries recover from a state of devastation; the disappearance, in a short time, of all traces of the mischiefs done by earthquakes, floods, hurricanes....”

(J. S. Mill, *Principles of Political Economy*, 1872)

This common answer is only sometimes right



No recovery

- Loayza et al. (2012)
- Fomby et al. (2013)
- Boustan et al. (2017)
- Felbermayr & Gröschl (2014)
- Berlemann & Wenzel (2016)
- Kunze (2017)



Back to trend

- Fisker (2012)
- Cavallo et al. (2013)
- Hochrainer-Stigler (2015)



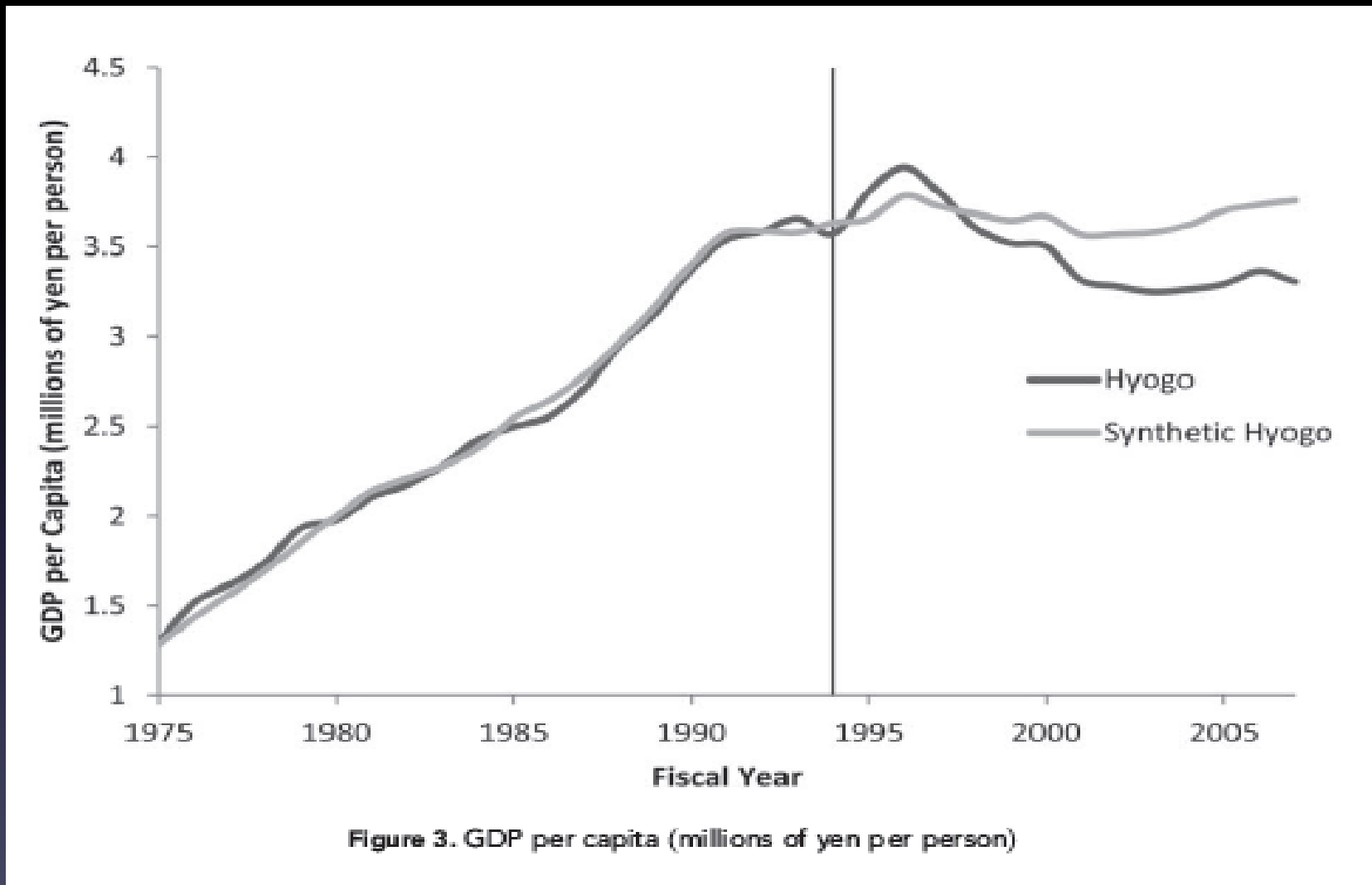
Build-back-better

- Cunado and Ferreira (2014)



"I am so over the details."

Case study: Kobe 1995



Source: duPont and Noy (2015)

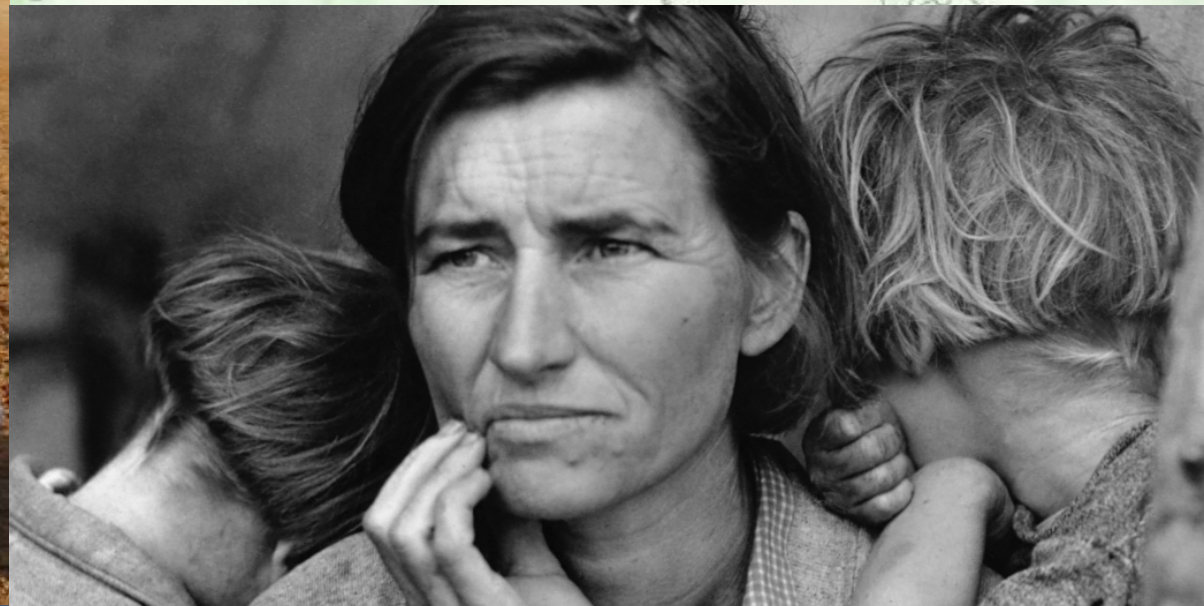
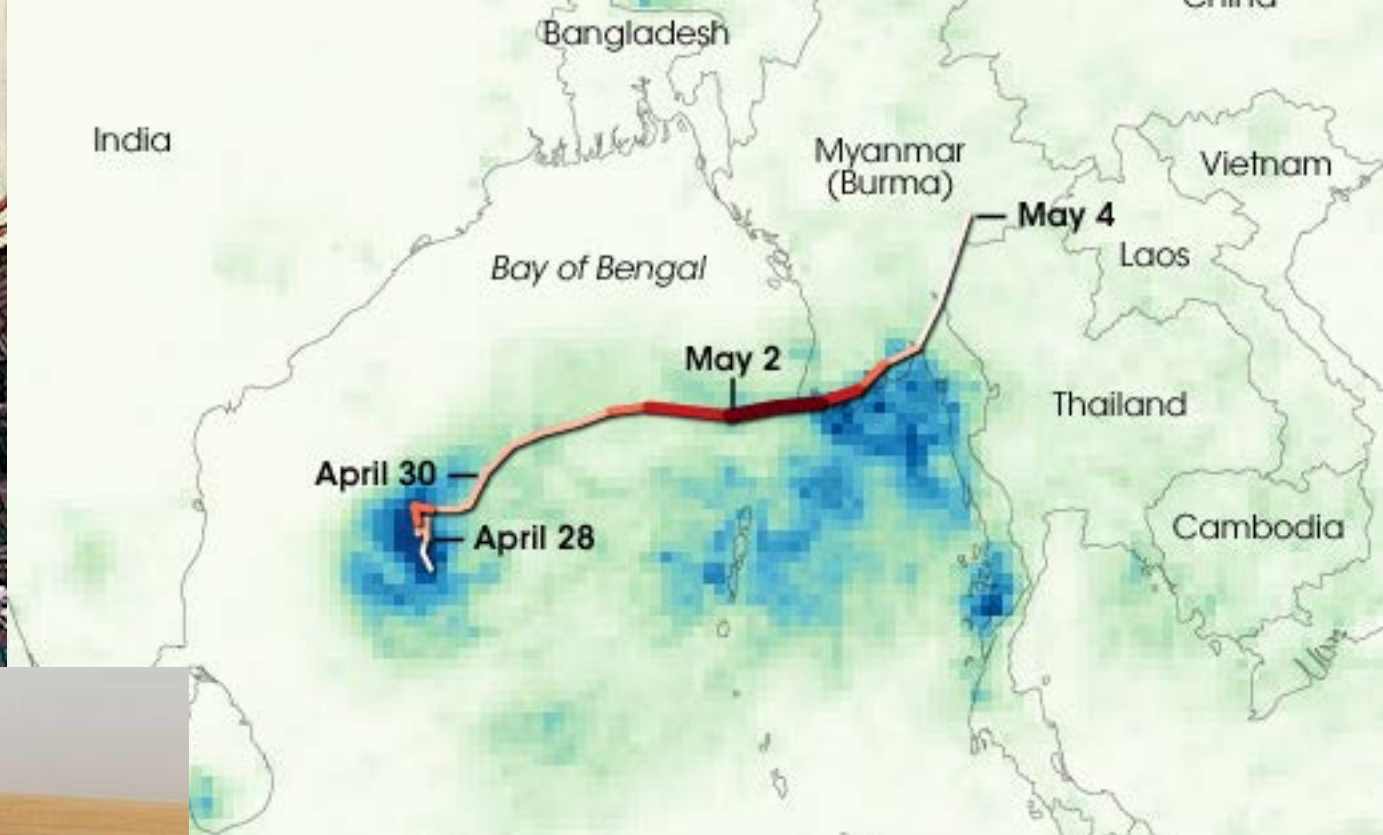
Impacts on Institutions

“After the earthquake...the wise men of that country could discover no more efficacious way of preventing total ruin than by giving the people a splendid auto-da-fé.....that the sight of several persons being slowly burned in great ceremony is an infallible secret for preventing earthquakes.”

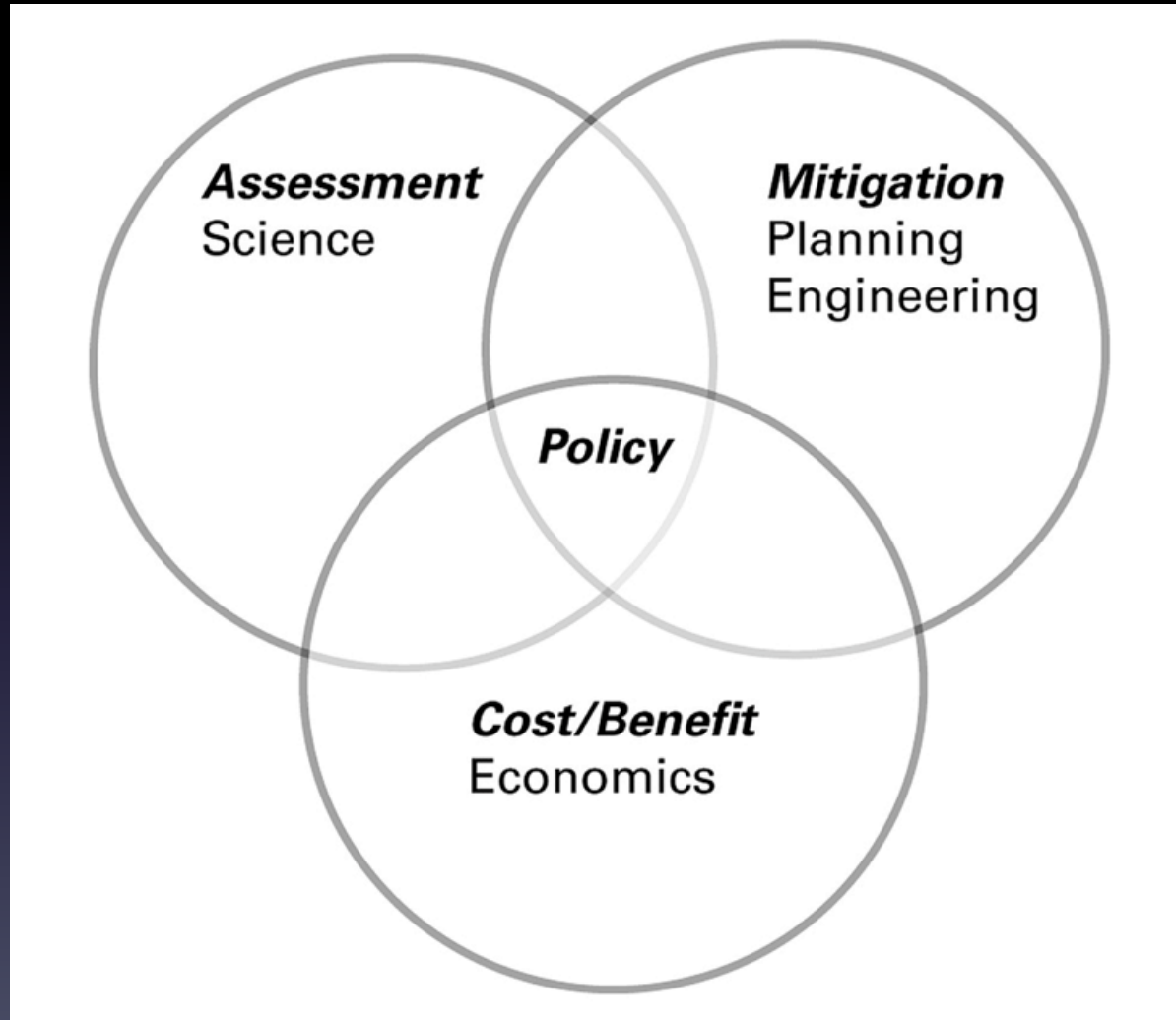
(from Voltaire's *Candide*)

Impacts on Confidence





Why should we care?



Source: Stein and Stein (2014)



“Would you tell me, please, which way I ought to go from here?”

“That depends a good deal on where you want to get to,” said the Cat.

“I don’t much care where—” said Alice

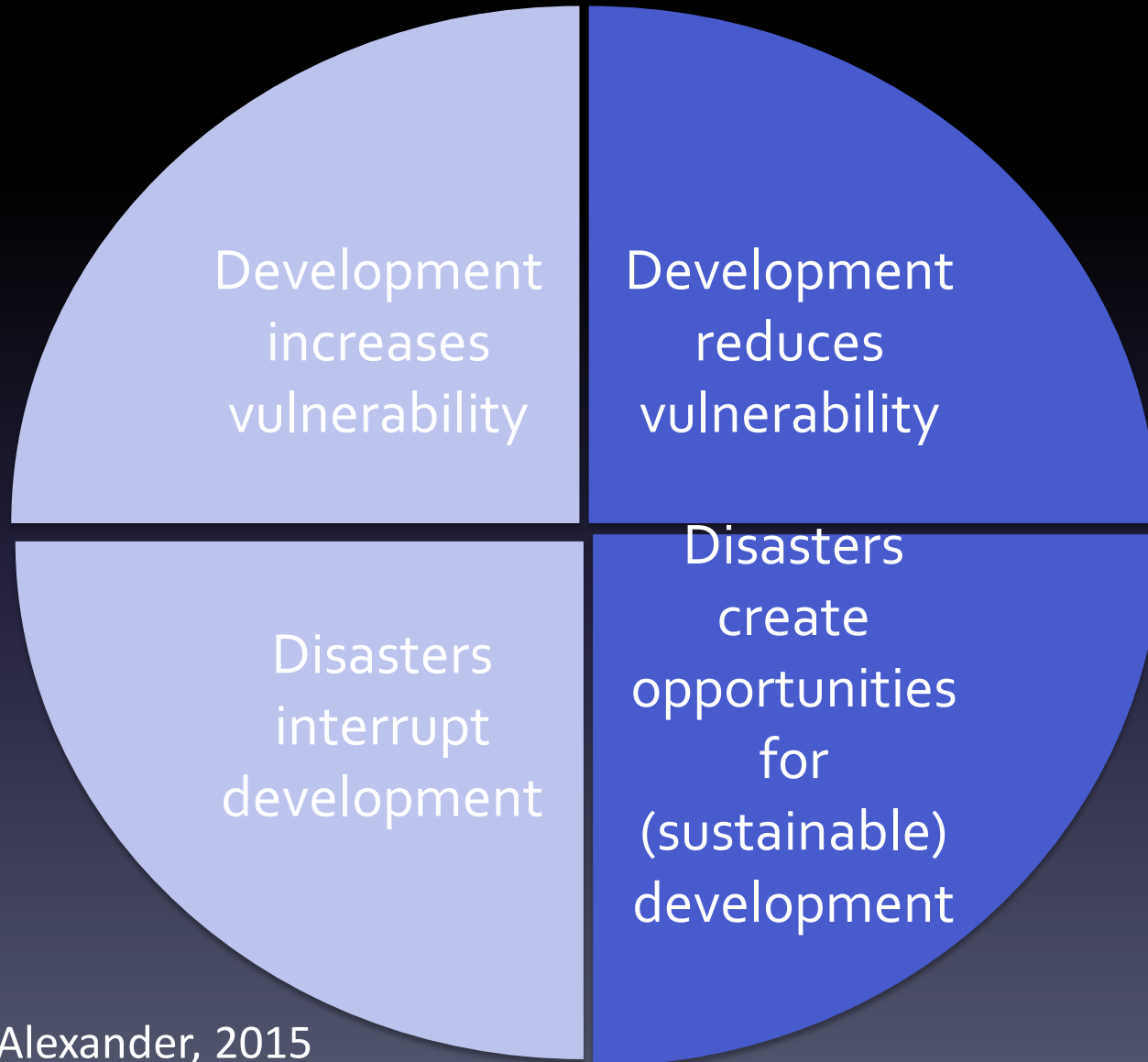
“Then it doesn’t matter which way you go,” said the Cat.

Que sera, sera



PAULA HANCOCK/AGENCE

A chronicle of a death foretold?





“Kräht der Hahn auf dem Mist, ändert sich das Wetter oder bleibt, wie es ist.”

Translation: “When the rooster crows on the dung heap, the weather will either change, or stay the same.”

A black and white photograph of Frankenstein's monster, played by Boris Karloff. He is shown from the chest up, looking towards the left of the frame. He has a flat-top haircut, a high forehead, and a serious expression. He is wearing a dark, heavy coat. The background is dark and out of focus, with some vertical lines and a diagonal light pattern on the right side. The text "Thank you!" is overlaid in the center of the image in a white, sans-serif font.

Thank you!