



## **Disaster Economics, Project Management, Emergency Budgeting**

### **Rationale of the Course:**

Disasters have a phenomenal impact upon country's GDP, GNP and other developmental indicators in human health, income and livelihood. Sustainable developmental goals and human progress alongside nation building processes are required to be addressed through more objective tools of economics.

### **Objective:**

- 1) This course will familiarize students to understand disasters as a serious and lasting economic phenomena.
- 2) It will provide a basic understanding about how economic concepts can be used to study the implications of disasters for an economy in short and long term.
- 3) This course would also make visible a the linkages of political and economic decision making for disaster management.
- 4) It would help to draw out policy implications necessary for disaster risk reduction

### **Course content:**

**Economic impact of disasters:** How disasters impact output and business in the short and long run.  
 Direct and indirect costs of disasters  
 Impact on income, livelihood and poverty  
 Measuring the impact of disasters in quantitative terms, Assessment of damage and losses Disasters and their impact on sustainable development.

**Financing of disasters:** Various sources of financing of disasters, Role of government in investing for disaster preparedness and disaster risk reduction Tracking the investments for disaster risk reduction

**Role of financial markets in disaster risk reduction:** Concept of disaster risk, Financial instruments available for disaster risk reduction, Role of insurance market for disaster risk reduction in developing countries and developed countries, Concept of catastrophe risk, Role of Central bank in mitigating disaster risk reduction by the use of Monetary Policy

**Disasters and their impact on Agriculture and small businesses:** Why agriculture is important for developing countries, Specific disasters and how they affect agrarian economy and its people, Impact of disasters on small businesses and their implications for the economy as a whole

### **Suggested readings:**

1. Benson C and Clay E.J. (2004), Understanding the economic and financial impacts of natural disasters, World bank Policy paper

2. Cavallo E and Noy (2010). The economics of natural disasters, a survey, IDB Working paper series
3. Toya H and Skidmore (2007), Economic development and the impact of natural disasters, *Economic Letters*, 94, p. 20-25.
4. Kellenberg D and Mobarak (2011), The economics of natural disasters, *Annual review Resource economics* (3), 297-312.
5. Sachs Jeffrey D. (2012), *Lancet*, 379, 2206-11.
6. Kellett J, Karavani A and Pichon (2014). Financing disaster risk reduction. UNDP
7. Krugman Paul and Wells (2015). *Macroeconomics*
8. Miranda M.J. and Glauber J.W. (1997). Systemic risk, Reinsurance and the failure of crop insurance market, *American Journal of Agr. Economics*, 206-215
9. Kunreuther Howard (1996), Mitigating disaster losses through insurance, *Journal of risk and uncertainty*, 12, 171-87
10. Gurenko E and Lester (2004). Rapid onset natural disasters: the role of financing in effective risk management, WB policy research working paper 3278.