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Growing pains or growing gains?

Disaster prevention is moving up the agenda in India and nowhere could prevention make a bigger impact than in India's burgeoning cities

A country as large and diverse as India is no stranger to nature's wrath: earthquakes, droughts, floods, and cyclones. Disaster prevention is moving up the agenda in India and nowhere could prevention make a bigger impact than in India's burgeoning cities. India's urban population is expected to reach 600 million in the next two decades (more than double what it was in 2001). The 2011 report by the high-powered expert committee on India's urban infrastructure services, chaired by Isher Judge Ahluwalia, estimates that today India has 50 cities with a population of more than a million. By 2031, there will be 87. Such growth will undoubtedly expose more people and property to hazards.

These trends are consistent with the recent World Bank-United Nations publication, *Natural Hazards, UnNatural Disasters: The Economics of Effective Prevention*, launched recently in New Delhi. The report estimates that in India, the number of people exposed to cyclones and earthquakes alone is expected to almost triple from about 70 million people today to 200 million by 2050.



The challenges ahead are certainly daunting. But is it all bad news? As we argue in the report, even though exposure will rise, vulnerability need not: much depends on how well cities are managed. What will it take? Three common threads emerge in the report: the role of information, incentives and infrastructure—what we call the three 'I's.

Information is the first 'I'. It is easy to talk about people making informed choices, but that requires information on where and what the risks are. It is not sufficient to just collect such information: it has to be made public and accessible. Unfortunately, privacy, security, and commercial concerns often get in the way. In 1997, the government of India first published a Vulnerability Atlas of India. More initiatives like this should be encouraged and supported.

The second 'I' is incentives. Inefficient markets can dampen incentives for disaster prevention. Take Mumbai for example, where pervasive rent controls

gave landlords few incentives to undertake expensive structural repairs, resulting in unsafe buildings. Distorted policies such as rent controls (which have had lasting effects), skewed tax structures, inadequate city financing arrangements and so on, also reduce the incentive to put land to its best use. They produce a limited supply of affordable and legal land for safer housing.

So when provided with the right information and correct incentives, we generally decide well for ourselves. But preventive actions for disaster resilience depend most critically on the third 'I'—infrastructure and related public services. Infrastructure (or lack thereof) influences our prevention decisions in ways that are not always obvious. Take roads, for example. Evidence from Pune shows that in order to have easier access to jobs, people live in slums on riverbanks prone to flooding or on hilltops subject to mudslides. They do so not because they are ignorant or fatalistic, but because they have few other choices. Their choices could be greatly expanded not just by making land available in safer locations but also by enabling connective infrastructure and reliable public transport so that people have easy access to their jobs.

India's huge infrastructure deficit is well known. The 12th Five-Year Plan starting 2012 identifies the need for \$1 trillion in infrastructure spending. But there remains a huge gap between existing infrastructure and rapidly growing demand. As urban development minister Kamal Nath put it, "...what we will be doing in the next five to 10 years will not be building for the future but really catching up with the past". While new infrastructure is most certainly needed, maintenance of existing infrastructure is vital but often neglected as in many other countries. Inadequate maintenance of urban drainage, for example, can lead to flooding that could otherwise be avoided.

India's growing cities are both a challenge and an opportunity. People flock to cities seeking jobs and better lives. On average, this makes them richer and better able to adapt to risks. More concentrated populations also allow cities to spread the high fixed costs of preventive infrastructure more easily. India can do a lot to prevent disasters and reap the gains of growing cities. Information that is timely, incentives that do not get skewed by distorted public policies, infrastructure that is reliable can help ensure that natural hazards do not turn into unnatural disasters. Subscribing to these three 'I's can help ensure that growing gains do not become growing pains.

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