



Learning from Recovery after Hurricane Mitch

Summary findings

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Learning from Recovery after Hurricane Mitch is a longitudinal (ten year) review of how Nicaragua has recovered from Hurricane Mitch. The focus is on how the assumptions and claims that were made in the initial recovery planning have proven relevant in light of subsequent development. The study has been funded by the Provention Consortium.

The research is based on a literature review, interviews with stakeholders at national level and field studies in three municipalities that were heavily affected by Hurricane Mitch, Dipilto, San Francisco Libre and Terrabona. While not aiming to provide a full representative sample, the field sites were chosen to illustrate three very different trajectories of change. The study has found that response to Hurricane Mitch reflects the broader trends that have driven recovery, including household, community and government initiatives and the wider economic context.

After the hurricane the initial expectations of government, civil society and the international community were that recovery efforts would 'transform' Nicaragua. These assumptions have been proven to be wildly optimistic. Market upheavals and livelihood changes in rural areas have, over time, had more profound impact on recovery trends than aid. An understanding of the role of aid in recovery must therefore be anchored in a broad awareness of how development has changed the nature of poverty, vulnerability and risk.

The findings of the research can be summarised as follows:

- 1. The roles of the state and civil society in disaster risk management have been strengthened and clarified since Mitch, but challenges remain in the decentralisation process:**

In the early response to Mitch the international community played a very strong role, but over time the recovery process has been more influenced by the changing roles of the Nicaraguan state, civil society and the private sector. The turning point for the shift to a national process was at first assumed to be the 1999 Stockholm Declaration, but in hindsight it is clear that national ownership of disaster management, in all its forms, was primarily transformed by the introduction of Law 337 on disaster management in 2000. If a similar disaster was to occur today, the response would be entirely different due to the commitments to national coordination and collaboration that are now legally mandated.

However, there are two fundamental obstacles to this process. First, disaster management and risk reduction remain very reliant on aid financing. Commitments to national leadership in these areas have not resulted in commitments from the national budget, which raises questions regarding sustainability and political will to reduce disaster risks. Second, progress has been made in planning as a result of recovery and risk management investments, but implementation remains in the hands of municipalities, most of which lack human and financial resources to act on these plans. This implementation gap is large, and may be in danger of growing with the expanding ambitions of addressing climate change in conjunction with risk reduction.

2. In some areas the economic recovery stimulated by Mitch has been successful, but this recovery and the overall post-Mitch reconstruction have had little sustainable impact on the livelihoods of the poor and most vulnerable:

It was initially assumed that the process of recovery from Hurricane Mitch would not just be a matter of returning to 'normalcy', but would also address the factors related to poverty and unsustainable livelihoods that made people vulnerable to disasters. The primary vehicle for this development was expected to be commercialisation and economic growth. In some high potential areas, such as Dipilto, this recovery agenda has stimulated considerable economic development. In areas with less economic potential, such as most of Terrabona and San Francisco Libre, little economic progress can be observed.

Evidence thus shows that aid can stimulate economic development. It is another question whether this development has transformed the livelihoods of those most affected by the hurricane. The research has shown that those with the resources to take advantage of economic opportunities have in some cases been able to adopt less risk-prone livelihoods. But most of the poor and vulnerable, especially those who moved into the new houses built in the recovery period, have not experienced a transformation. Even in a dynamic area such as Dipilto, they remain reliant on limited opportunities for wage labour and their situation has in many cases deteriorated below the pre-Mitch level. In San Francisco Libre and Terrabona the situation has remained relatively stable, despite recurring droughts, floods, epidemics and other hazards due to continued aid flows and an ability to pursue a range of livelihoods, including small scale farming to ensure a minimum of food security.

This will affect adaption to climate change in Mitch-affected areas. Lessons from Mitch could be useful for building adaptive capacity, but there is limited evidence of their application. Mushrooming references to climate change in projects, programmes and plans does not prove that a long-term vision is in place. Instead, it appears that climate change is becoming part of the rhetoric in response to a shift in donors' priorities.

3. The social fabric of communities affected by Mitch has been largely restored, community institutions have been modestly strengthened and in some cases greater gender equity has emerged:

Hurricane Mitch uprooted thousands of households, moved communities and created new settlements. In most cases these upheavals have not led to major internal tensions in local communities. At municipal level, political polarisation has had serious impact on recovery and current risk reduction, but the Mitch effort has neither resolved nor aggravated these problems in any major way. Post-Mitch recovery (and the financial flows it provided) stimulated the creation of new community organisations. These have in some cases continued their work, providing a channel for relief efforts to deal with smaller droughts and floods, and managing social welfare programmes. While not self-sustaining, these organisations provide far better channels for such assistance than the international agencies which arrived directly after Mitch.

New forms of clientalism and political patronage have, however, emerged through these organisations. Lessened reliance on international agencies and stronger local organisations has not transformed local social relations nor created greater equity. Efforts to change gender relations have had some impact

where agencies have been present for a long period and have worked closely with men and women within their communities. Short-term training and other consciousness raising projects have had little noticeable impact.

4. Risk reduction is on the national agenda and capacities for risk management have been greatly strengthened, but weaknesses remain in understanding vulnerability and in finding sustainable channels for local level risk reduction:

When Mitch struck, disaster risk management was a relatively obscure and technical field of activity in Nicaragua. This has now changed enormously. Risk reduction has become far more integrated into the rural development discourse than before the disaster. The experience of recovery after Mitch has informed attitudes toward risk in a number of sectors and there appears to be genuine multisectoral commitment to engagement in the *Sistema Nacional para la Prevención, Mitigación y Atención de Desastres* (National System for Prevention, Mitigation and Response to Disasters, SINAPRED), the national disaster management structure. This change has come about primarily through activities that were initiated after the enactment of Law 337. The immediate post-Mitch recovery efforts may have stimulated this process, but only indirectly.

It is less clear whether these processes have actually reduced risk. Most of those interviewed at municipal level felt that things were the same or somewhat better. At national level there is more pessimism. Despite major gains in terms of policies, awareness, skills, organisational development and legal structures, the impact of small disasters appears to be greater. There are said to be more fatalities (though reliable comparable statistics are not available) and greater destructive impact of floods on housing and livelihoods. An institutional framework is now in place, but it remains seriously under-resourced.

Furthermore, given the improvements in many respects in responding to hazards, this would indicate that growing risk derives from increasing vulnerability. Little progress can be observed in coming to grips with vulnerability. This can be attributed to many factors, most notably the lack of capacities at municipal level. Perhaps the greatest obstacle to moving from words to action in reducing risk has been a continuing emphasis on hazards and response. The importance of addressing vulnerability is acknowledged, but there are few effective tools to integrate an analysis of vulnerability (and with that poverty and livelihoods) into risk management efforts. Many of the houses that were built in low risk areas after Mitch have now been abandoned because their inhabitants could not find viable livelihoods. They have moved back to their former homes or other high risk areas. This illustrates how the emphasis on analysing hazards in post-Mitch recovery has only addressed part of the equation of risk.

The intentions of recovery after Mitch were to bridge the gap that existed in prevailing concepts of disaster. When Mitch struck, there existed a dichotomy wherein disaster was merely associated with response and development was focused on economic growth. The bridge that was to be built after Mitch was to consist of a holistic perspective on hazards, risk and vulnerability. Today the conceptual and formal institutional superstructure of that bridge has been established, but apart from a few pilot efforts there is little traffic flowing across it. The primary reasons for this are as follows:

- lack of state and municipal budgetary resources to move from words to action;
- risk has become a priority, but it is only a secondary priority, to be acted upon only if there is international funding available;
- risk remains overly associated with hazards and response, at the expense of concerns related to vulnerability;
- vulnerability reduction is seen as a task that is too ambiguous and overwhelming to analyse, and there is a perceived lack of tools to integrate vulnerability analysis in development planning; and
- there is an assumption that reducing vulnerability would be too expensive to undertake, so there is a hesitancy toward investing in the transaction costs of coordinating and mobilising the actors that would need to be involved in addressing vulnerability to disasters.

Hence, despite the bridge, vulnerability reduction remains lost in the gaps caused by the segmentation of economic development, poverty alleviation and environmental protection efforts. An awareness of the implications of climate change should break down this segmentation, but thus far it is instead getting stuck in these very same gaps. Application of the lessons of Mitch could contribute to overcoming these gaps, but these challenges have not been linked in the national discourse. Climate change is just starting to raise attention to the need to look again at how to overcome these obstacles, but the financial, human and organisational capacities to act remain as they were. This research has found that Nicaragua has made enormous progress in hazard assessment and, to an extent, in understanding risk management. But skills, methods and the financial resources to undertake a serious analysis of vulnerability do not exist, and therefore the equation of how disasters and development contribute to risk remains incomplete.

Vulnerability is primarily a product of the same factors that generate poverty, above all the lack of livelihood opportunities for those who lack the assets required to take advantage of existing economic development trajectories. But poverty is not vulnerability. One interviewee stated that it was wrong to assume that poverty generates vulnerability, since in a high risk context it is instead vulnerability that generates poverty. The findings from the three municipalities studied confirm that this is indeed the case and that the failure to understand how vulnerability can generate poverty can be seen in the abandoned houses and impoverished resettlement zones. This is a challenge for recovery planning, but one that can only be addressed by a different perspective on development.