International Journal of Mass Emergencies and Disasters
March 1988, Vol 6, No. 1, 47-63

WINNERS AND LOSERS: SOME THOUGHTS ABOUT THE POLITICAL ECONOMY OF DISASTER

Joseph Scanlon
Emergency Communications Research Unit
Carleton University
Ottawa, Ontario, Canada K1S5B6

While it is obvious disasters are negative events causing injury and death, damage and destruction, macro-economic studies show little long-term economic effects from disaster. That is because disasters create both losers and winners and these balance out. Who loses and who wins is not random but a result of public policy decisions. The losers include individuals who are injured, lose their jobs, lose their home and families who lose a wage earner or a place of residence. The winners include individuals who earn extra money because they are involved in emergency response or restoration. They include wage earners and their families. They include some businesses, not others. They include communities which, because of substantial assistance, end up better off because of the disaster. Winners and losers are created by decisions about where to build a dam, who should receive what sort of assistance. This article is not based on new research but on an analysis of existing material. More research needs to be done on the economic effects on individuals and businesses and on communities and of the economic impact of policy decisions.

The Oxford dictionary defines disaster as a "sudden or great misfortune." *Encyclopaedia Britannica* puts it under fires, coal mines, floods and earthquakes:

> Probably the most famous of all earthquakes [it reports] is the one which destroyed Lisbon on November 1, 1775.... Within six minutes at least 30,000 people were killed, all large public buildings and 12,000 dwellings were demolished.

Charles Fritz's class definition says a disaster is: