

Ridgway Capital Projects Commentary

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Earthquake Recovery Observations from Overseas

Last week, representatives of Chile's Región del Maule wrote to their government to record their discontent about progress following the country's 8.8 magnitude earthquake a year ago. They railed against local citizens being excluded from the reconstruction process and lamented that the opportunities so often spoken about were actually being directed to construction companies and others with vested interests, not the people. Land, they said, was being expropriated and there are doubts about how that land will be used in future. Perhaps most worryingly, people have abandoned their homes in droves, causing areas to be blighted, a lowering of personal security and a loss of productive capacity. The local Red Cross summed up the progress by labeling the government's efforts as a "year without reconstruction".

Six months have passed since our September 7.1 earthquake and rumblings here about a lack of progress have turned into deeper concerns since 22 February. We can address these by learning from the Chilean experience, the Boxing Day Tsunami in Asia and Pakistan's devastating earthquake in 2005. These some key themes that we should keep in mind as we go about our own reconstruction.

First comes the creation of an agency that has overarching responsibility for coordinating policy, funding and resources. Fortunately, we have the Canterbury Earthquake Recovery Commission, but it now needs to have a secretariat that houses the brightest and the best so that it can perform like a development bank. Local and national leadership can then be directed through a well-governed vehicle that not only has authority but also the capacity to deliver. Next comes the empowerment of people so that their voice is heard and heeded, and so that local resources can be marshaled and applied to the reconstruction. Thirdly, coordinating incoming funding is crucial and it is in this area that the Commission has a major role to play. Much will need to be done to ensure that the myriad of funding sources is managed in a way that balances the needs of providers and recipients. Financing the significant term funding gap that is looming will be a major challenge, but mobilising the insurance industry and payouts threatens to be the greatest thief of time.

Overall, when we look at our own situation here in Christchurch there is plenty of enthusiasm to be sure, but the devil will be in the detail and we should be under no illusions about the enormity of the task that lies ahead. September 4 was a practice run for reconstruction, but we can wipe the messy parts of the slate clean and start again. Concerted action will ensure that Chilean letter does not become our own.

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