

The Financials of Disasters

It is time for the corporate sector to take over disaster risk management and disaster medicine in India



By: Kapil Khandelwal

Probably the greatest concentration of pilgrims in any region in the world occurs in India's mountain regions of Himachal Pradesh, Uttaranchal and Uttar Pradesh, where 9.3 million pilgrims each year arrive at the major entry point into the Pahari region. Between 2001 and 2010, the number of visitors to the state rose nearly 200 percent to 30.3 million.

Major Hindu shrines are located in the state, and about 70 percent of the tourists who visit the state visit religious sites. However, last month's pilgrim disaster in Uttarakhand with the search and rescue operations for the pilgrims needs to be reviewed. With large-scale politicking, drama and one-upmanship by the political parties in the aftermath of the disaster, requires an assessment on the failure of the government

in providing services in such situations and leaves me wondering on the areas where different business models can be operated by the private sector in the health and well-being of people in such situations.

What is Disaster and Disaster Medicine?

A disaster is not a "crisis" in the traditional meaning of the word – a situation in which important decisions involving

threat and opportunity have to be made in a particularly short time – rather, disasters involve management procedures which must be maintained and management problems coped with under conditions of major technical emergency involving threats of injury and loss of life. There are two types of disasters - natural and technological disasters. Natural disasters include three specific groups:

- Hydro-meteorological disasters: Including floods and wave surges, storms, droughts and related disasters (extreme temperatures and forest/ scrub fires), and landslides and avalanches.
- Geophysical disasters: Divided into earthquakes and tsunamis and volcanic eruptions.
- Biological disasters: Covering epidemics and insect infestations.

The technological disasters comprise three groups, which are:

- Industrial accidents: Such as chemical spills; collapses of industrial infrastructures; explosions; fires, gas leaks; poisoning; radiation.
- Transport accidents: By air, rail, road or water means of transport.
- Miscellaneous accidents: Collapses of domestic/ non-industrial structures; explosions; fires.

The effects of these disasters can be viewed on health and well-being from five different perspectives. These include:

- preparedness and availability of medical and health facilities, services, personnel and equipment;
- immediate casualties and deaths caused by the



- disaster;
- secondary illness and deterioration of health conditions following the disaster;
- destruction or damage to medical and health centers and services;
- response capability of the health services and the capacity for post-disaster recovery.

The response to health problems of such magnitude, under adverse and literally catastrophic conditions, cannot be sufficient with mere emergency medicine or just the provision of relief. Disasters, particularly the one in Uttarakhand are not merely very large accidents; they involve complex public health issues and health management problems at a time when the normal coping mechanisms are disrupted or even out of action. In recent years, the health profession has, to this end, developed new approaches and a new discipline now referred to as

“disaster medicine”.

In case of floods like that in Uttarakhand, the risks of infectious diseases and of malnutrition are real, and the necessary personnel, medicine and supplies should be geared to those needs.

Business models addressing disasters

With the occurrence and intensity of disasters increasing in India, there are several business models that we can look at. This is not an exhaustive assessment of the opportunities, but an initial map that can be used to build on to the same.

Pilgrimage travel/health advisory services: There is no risk rating and advisory services in India that provides travellers with information in the risk rating at different times of the year or on a general travel situation. There are no personalised services that provide information and questions to pilgrims health, security,



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medical information such as vaccination requirements, infectious diseases common in destinations, food and water safety, and tips on staying healthy while on pilgrimage. Also, there is no ready travel information on emergency medical and other support services. Private weather forecasting and advisory business models do exist. This can be an extension to their business.

Personalised emergency medical care and evacuation:

Membership based services for providing emergency medical care and evacuation is the need of the hour. The services should include evaluation, airlifting, trauma management from the disaster. The services should be followed by consistent protocols with co-ordination and rapid. One of the areas where a centralised control room which can co-ordinate with the victims and their family members is an essential part of the service. In case of international pilgrims, the service should provide assistance with passport

documentation and visa clearances during emergencies, so that the border transits can be smooth.

Specialised hospitals near the disaster zone: With the intensity of disasters increasing in occurrences, there is an opportunity for setting up small specialised hospitals that can cater to the disasters in a specialised way and can be an extension for the supply chain and logistics to the operations in the disaster zone. These hospitals can provide medical equipment, pharmaceuticals, and medical consumables to remote site support.

Medical college in disaster medicine in India: There are several institutes of excellence in India that provide courses and degrees in disaster management. However, like the US where there is a board of disaster medicine with special curriculum and licensure of working professionals in this field of medicine, there is no medical college or National Center of Excellence in India providing UG or PG courses. India can well be served by this branch of specialising doctors from a recognised Center of Excellence in disaster medicine. A PPP for disaster risk management: India is one of

the countries that consistently ranks amongst the top-5 countries in the world where most of the disasters strike.

The lack of faith in the state government of Uttarakhand by the faithful devotees of other states and independent operations by individual state governments to search, rescue and airlift the victims itself gives rise to the business of disaster risk management that could be outsourced to an independent company by these state governments rather than political one-upmanship! We can take cue from other countries that are as disaster prone as India such as Phillipines, which had used public-private partnerships for disaster risk management using community participation and consistently reduced disaster risks year on year. This will not only create employment opportunities in the community, but also infrastructure and logistics to handle risk mitigation measures on a real time basis.

Interesting business models in place

There are some very interesting business models in place for disaster risk management around the world in operation. Some of the ones that need a



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There are some very interesting business models in place for disaster risk management



mention are as under:
Reuters Alertnet: AlertNet is a free humanitarian news service run by Thomson Reuters Foundation covering crises worldwide. The award-winning website provides news and information on natural disasters, conflicts, refugees, hunger, diseases and climate change.

International SOS: International SOS is the world's leading medical and travel security services company. Their enterprise services help organisations protect their people across the globe. Our teams work night and day from more than 700 locations in 76 countries.

Doctors Without Borders: Médecins Sans Frontières (MSF) is an international medical humanitarian organisation created by doctors and journalists in France in 1971. Today, MSF provides independent, impartial assistance in more

than 60 countries to people whose survival is threatened by violence, neglect, or catastrophe, primarily due to armed conflict, epidemics, malnutrition, exclusion from health care, or natural disasters. MSF provides independent, impartial assistance to those most in need. MSF also reserves the right to speak out to bring attention to neglected crises, challenge inadequacies or abuse of the aid system, and to advocate for improved medical

treatments and protocols. In 1999, MSF received the Nobel Peace Prize.

Reflecting Forward

The events that have unfolded in the face of disasters in India require execution and not politicking. It is time private enterprise take over where government has failed to deliver just like main stream healthcare to the masses, it is time for taking over disaster risk management and disaster medicine in India. **HBI**



About the Author:
 Kapil Khandelwal has earned recognition as an angel investor, venture capitalist and expert in health sciences, education, agri, clean tech and information communications and technology (ICT). His expertise positions him as one of the thought leaders in India, Asia Pacific and emerging markets. In his 25 years of his career, he has carried out over 30 transactions including cross-border and buyouts. He has chaired various committees at various industry bodies. Kapil runs an early stage investment fund and his own investment banking and advisory services company EquNev Capital Private Limited.
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