

A Review Study of the Role of the Corporate Sector in Disaster Management

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Introduction

The paper seeks to explore the level of involvement of the corporate sector in disaster management. This is against a background of increasing disaster risk in the developing world where 90% of the total disasters and 95% of the total disaster related deaths is recorded (Allardce 2009). In the past in most countries round the globe it was the government through its various arms that played a major role in disaster relief and rehabilitation. As the concept of disaster management gradually took root, encompassing not merely disaster relief and rehabilitation, but also preparedness and mitigation, the need to involve the community at large was also realized. Thus the ever expanding extent and scale of natural disasters have made it imperative for the corporate sector to initiate and integrate disaster risk prevention and mitigation measures in the various facets of their functions and operations with the objective of safeguarding the built environment, protecting investments and ensuring the sustainability of communities. With corporate entities investing in disaster prone regions in Africa it is also important to observe that the companies thrive on the health, stability and prosperity of communities in which they operate. Therefore, it becomes imperative for the corporate sector to initiate disaster risk management programmes in their operations as part of their CSR initiatives. The purpose of this paper is to explore and justify the role of the corporate sector in disaster management doth as a measure of safeguarding their investments against disaster risk and as part of corporate social responsibility.

Keywords: Natural disaster, disaster management, corporate sector, corporate initiatives

Global overview of disasters

Since the final years of the 1990s, several powerful natural disasters have occurred in different parts of the world. Hurricane Mitch damaged up to 70% of the infrastructure in Honduras and Nicaragua in 1998 devastating the economies of Central American countries which are yet to recover fully (Allardce 2009). One year later, the worst cyclone in 100 years hit the Indian state of Orisa affecting 10 times as many people as Hurricane Mitch and destroying 18 000 villages in one night, (UNSDR 2004). Hardly a year later, in 2000, tropical cyclone Eline induced floods of an unprecedented scale in all southern African countries destroying homes and infrastructure on a previously unknown scale. (Allardce 2009). The economic impact of natural disasters has also become more severe. It has been estimated that economic losses due to natural catastrophes totalled \$145 billion in 2004 more than twice the amount in 2003 and in 2005 economic losses further increased to a record high of over \$200 billion (Munnich Re 2004). The damage casts tremendous negative effects on economic, environmental and societal dimensions in the affected communities and countries.

Disasters have in recent years become an undeniably grim feature of our lives. Barely had the world begun the process of recovery after the devastation of the tsunami, which in its wake overran all geographical, social and economic demarcations, then hurricane Katrina brought the world's most powerful nation (USA) to its feet. In the interim there was the Mumbai deluge, the terrorist strikes at London and innumerable local disasters, which had an equally devastating impact (ADRC 2005).

Zimbabwe is no exception to these trends as disaster risk continues to be one of the serious threats to the welfare of the Zimbabwean society and economy. More than half of the previous decade has been hit by droughts, floods and cholera (Allardce 2009). The 1992 drought affected about 10.5 million people necessitating food imports and in addition to this, 20% of the national herd and wildlife was lost. The 2002 and 2008 drought also affected 5.2 and 12 million people respectively (ZIMVAC 2010). The UNDP 2009 report also indicated a breakdown of drought mitigation efforts in the past 2 decades as follows: central government contributed 40%, civil society contributed 56%, and other players including the private sector contributed 4%. The joint study by the German Development Institute and UNDP in 2005 revealed that Zimbabwe was increasingly becoming more vulnerable to disasters and government and civil society efforts without the compliment of the private sector seemed inadequate to address disaster risk in the country (UNEP 2005). A report by WHO (2009) indicated that 90% of water in Harare has a substantial amount of faecial content exposing the country to the risk of a cholera outbreak. This is despite the fact that the city is the center for economic development in the country hosting most headquarters of major companies operating in the country.

The cholera outbreak in 2003 in Zimbabwe resulted in 870 cases being recorded in one month in Kariba. In 2008, 4000 lives were lost according to the government's central statistics office and an estimated cost of US\$1 billion dollars of the national budget was used to control the scourge with funding coming mainly from the central government, the international donor community and local NGOs (UNDP 2008). However, this was