

Maximize Resilience and Reinsurance

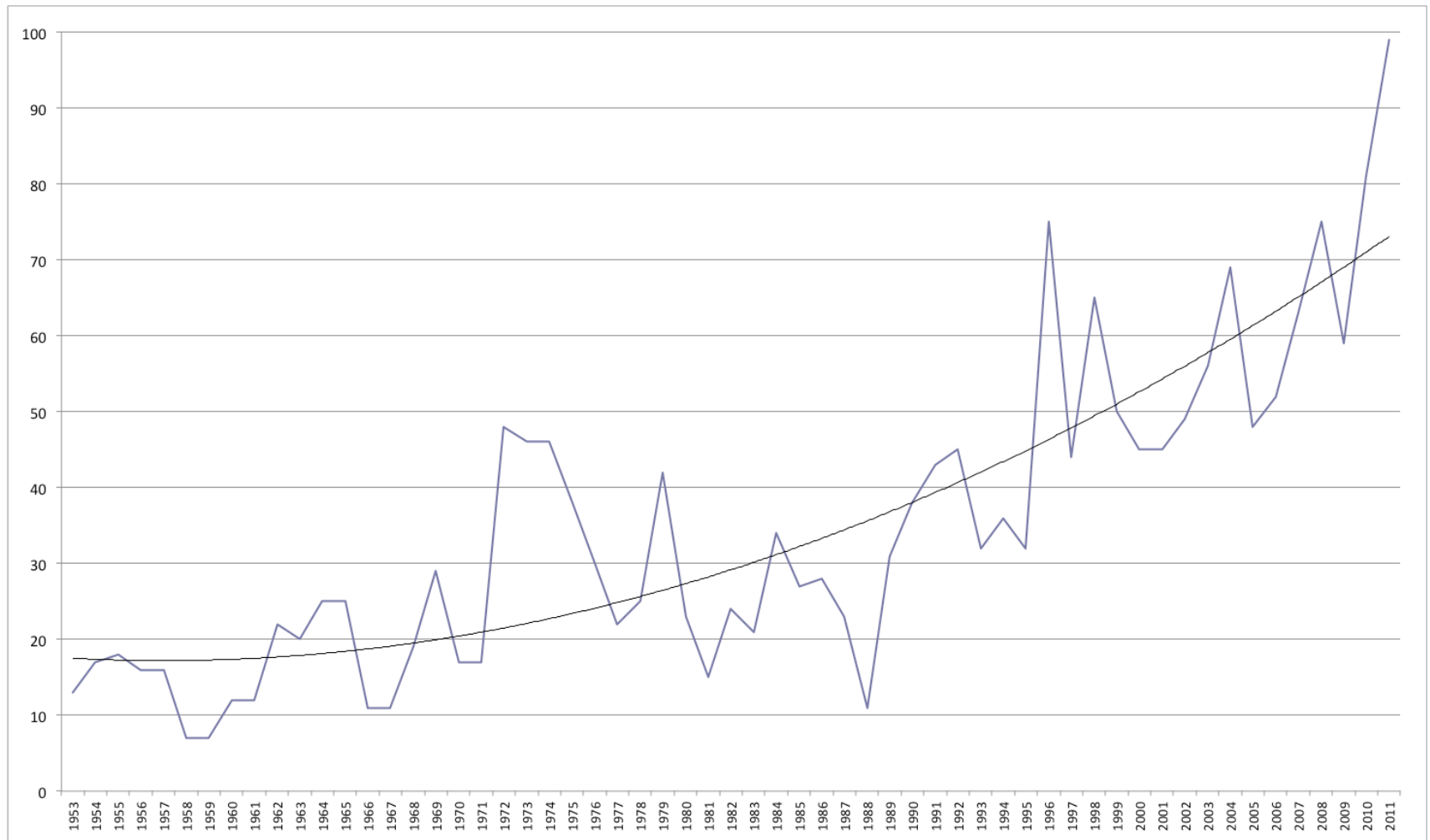
Northeast Risk and Resilience Leadership Forum
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Bradley Kading

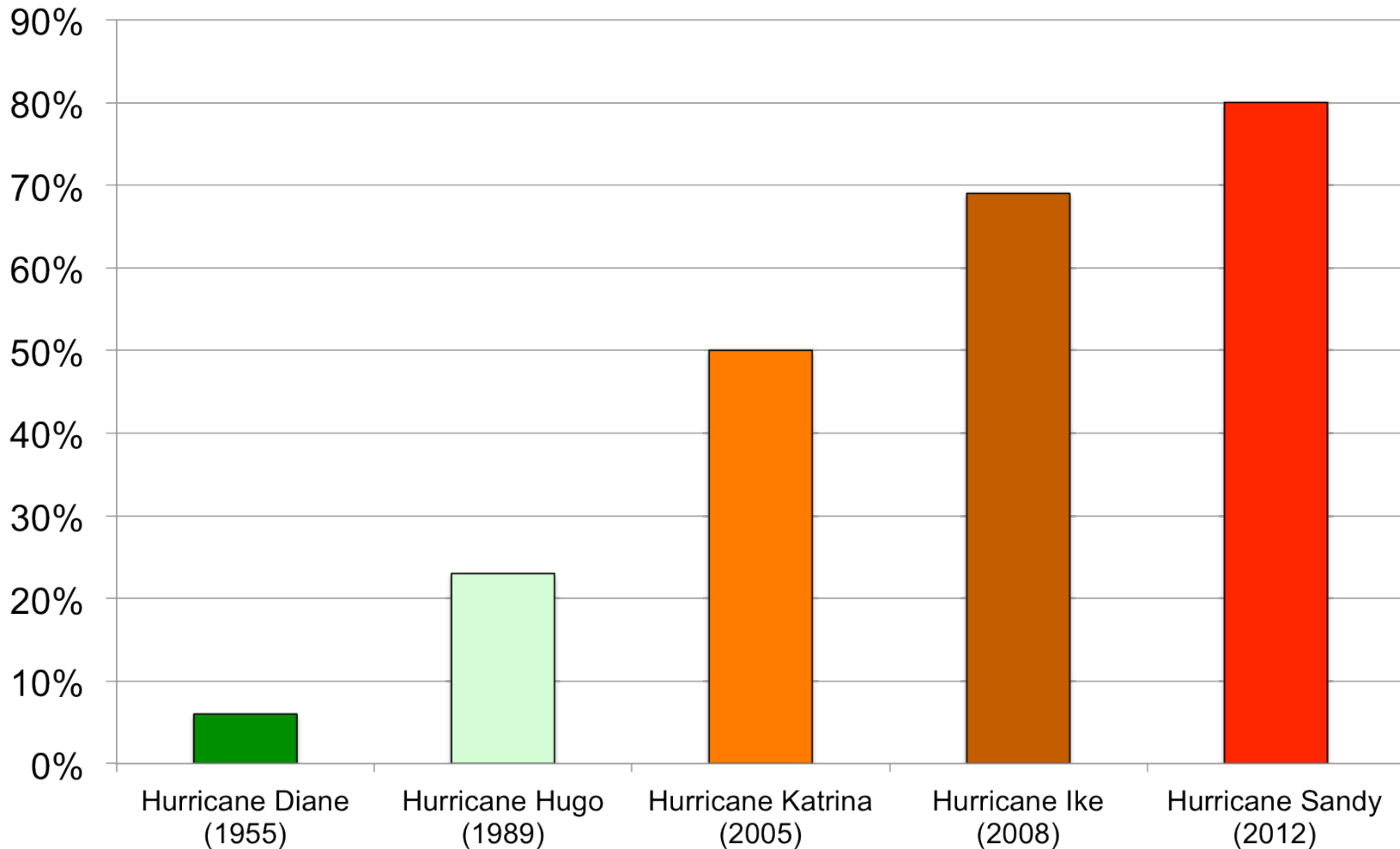
Association of Bermuda Insurers and Reinsurers

Free U.S. Federal Disaster Relief Has Been Increasing Dangerously Over Time

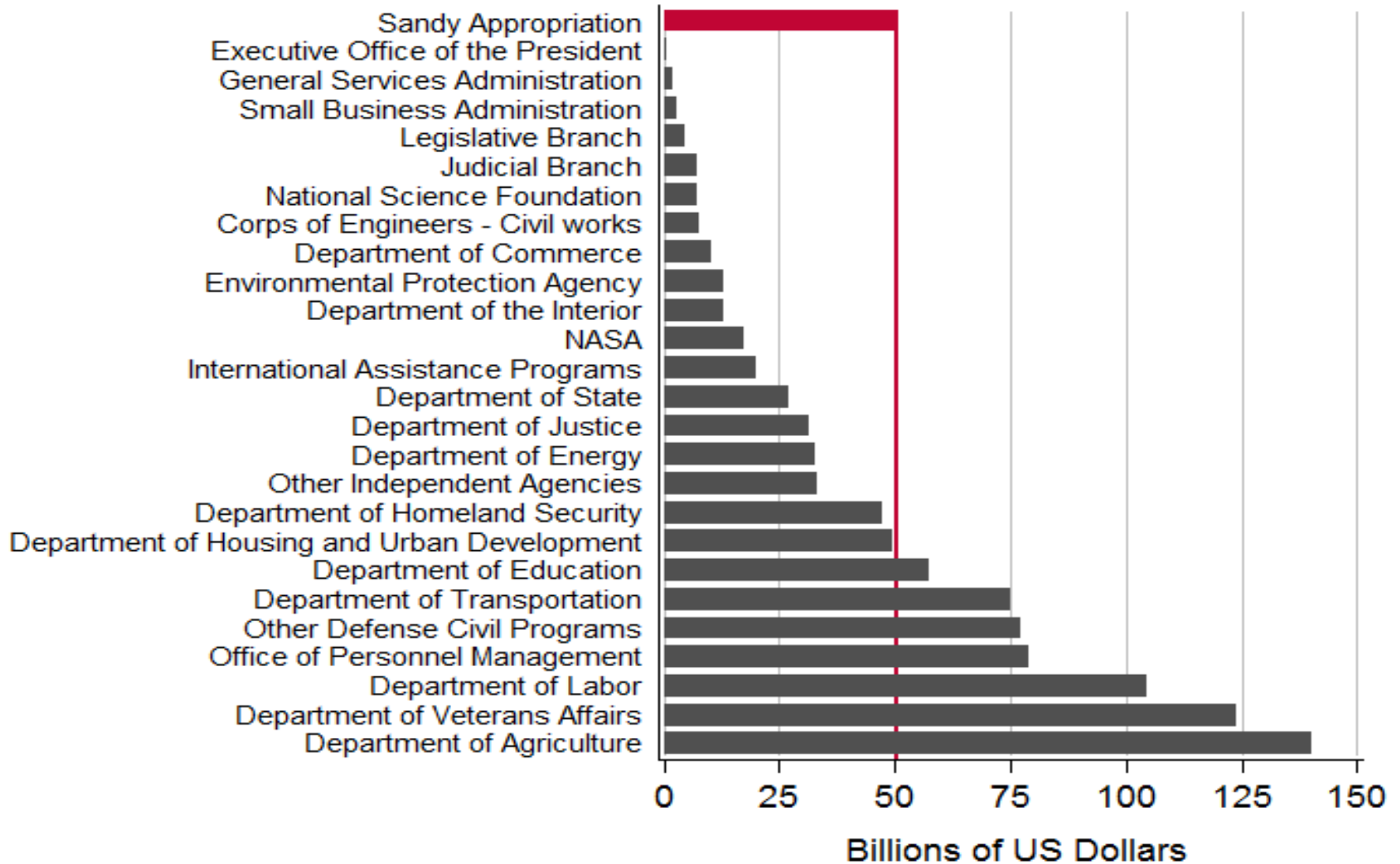
Number of U.S. Presidential Disaster Declarations – 1953-2011



Role of Federal Government in Covering Disaster Losses (proportion of total loss paid by government)



To Put Things in Perspective



Does Disaster Aid Affect Insurance Purchase Decisions?



Does Federal Assistance Crowd Out Private Demand for Insurance?

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- YES!!!
- First empirical study ever undertaken
- We find that a **\$1,000 increase in the federal government's average individual assistance grant decreases average flood insurance coverage by about \$6,350.**

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