

Tsunami Funds Sitting in Banks While Victims Languish in Tents

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Surveys released on the first anniversary of the Boxing Day tsunami reveal that a large percentage of those affected are still living in makeshift tents and that some of them could remain there for another ten years.

Ironically, it is not for lack of funds.

Fritz Institute, a San Francisco non-profit group, found that of 2300 people surveyed a year after the tsunami, 100% of respondents in the hardest-hit parts of the Indonesian island Sumatra, 92% in India and 78% in Sri Lanka were still in tents or temporary shelters.

Oxfam International, the UK-based charity confederation, estimates that 80% of the 1.8 million people left homeless by the disaster were still without "satisfactory permanent accommodation."

Incongruous as it may seem, the coffers are overflowing at the global charity organizations that have promised tsunami reconstruction. As incongruous is another reality -- of small, unknown groups outdoing the global charity giants in building permanent shelters for tsunami survivors.

A report on the tsunami-related funding activities of the major private charities in the first nine months after the disaster reveals that less than half of the \$1.8 billion they received from American donors has been spent.

The report, which is a study of 62 well-known aid organizations, including American Red Cross, CARE USA, and Habitat for Humanity, and Operation USA and World Vision, by the umbrella group InterAction, showed that the consortium had spent only \$743 million through Sept. 30.



American Red Cross had used only \$166.8m (about 29%) of the \$567.3m it had received in private donations, part of it on immunization and deworming programs in East Africa. In Sri Lanka, American Red Cross is providing water and Sanitation assistance in Hambantota, Matara, Kalutara, and Galle and says it has begun a comprehensive psychosocial support program designed to benefit approximately 200,000 people in the southern and western provinces.

American Red Cross spokesman Michael Oko explained that the organization was carefully building the foundation for long-term programs. "We have just finished the first year of a five-year plan," he said, "helping provide clean water, sanitation and shelters."

The Red Cross has committed to building 15,000 houses in Sri Lanka and has barely scratched the surface of that number. According to the Tsunami Housing Reconstruction Unit of the Sri Lanka Ministry of Urban Development and Water Supply, the Red Cross had completed a mere 62 houses at year-end.

Meanwhile Red Cross Australia, which has raised \$96 million, has indicated that it may take another ten years to pass on all the donations to tsunami victims. Red Cross Australia's new chief

executive, Robert Tickner, was quoted by The Age as defending the 10-year time frame: "I think it's increasingly accepted that after the emergency relief operation comes in some ways an even more demanding task of rebuilding whole communities."

As for some of the other big charities, InterAction revealed that CARE USA had spent \$7m of \$55m received, Habitat for Humanity \$8.6m of the \$44m raised, and World Vision \$18.3m of \$63.3m raised.

Several aid groups cited unanticipated problems with coordination and distribution as reasons for not being able to spend more since the disaster Dec. 26, 2004. Some aid agencies say the transition from short-term to long-term rebuilding programs will require a more prolonged effort.

"The recovery effort is one that's going to require three to five years at a minimum, and the agencies that are going to stay the course have to extend their funds in a way calculated to allow them to complete the work," said Jim Bishop, InterAction's director of humanitarian policy and practice.

The scope of death and destruction also made decision-making difficult, delaying rebuilding, the report says.

If private charities have been errant in holding on to tsunami funds, the United Nations has gone in the other direction. Its head of humanitarian operations, Jan Egeland, it will be recalled, drew much attention when just days after the tsunami struck he rebuked the United States and Western nations saying they were being 'stingy' with their aid. Parsimony, a tsunami-related investigation has revealed, is not a failing the world body can be accused of.

Leading financial daily, The Financial Times, following a two month investigation, said that up to a third of the \$590 million so far spent under the United Nations' \$1.1 billion disaster 'flash appeal' appears to have gone on administration, staff and related costs.

The report also found that several UN agencies are refusing to disclose details of their relief expenditure in spite of earlier pledges of transparency by senior UN officials.

The flash appeal refers to the money donated by governments to the UN in the first weeks after the disaster to fund the early aid work. The Financial Times said spending details from that appeal obtained from UN-affiliated agencies such as the World Health Organization and the World Food Program show 18 percent to 32 percent of the expenditure related to staff, administration and other costs.

Faced with such statistics, citizens of the affected countries are in turn angry and bewildered. A Thai official in Los Angeles who wished to remain anonymous said 'They [large charities] have used our tragedy to become rich,' adding: 'Our people don't really think any more about what Red Cross will do for us.'

That a year has gone by and thousands remain displaced is a total 'shame' said a leading Sri Lankan Buddhist monk.

"I cannot understand why it's taking so long. Yes, there are problems. Nothing is easy, but with all that money, surely the big organizations could have done better," says Bhante Walpola Piyananda, head of the Dharma Vijaya Buddhist Temple in Los Angeles. His temple group has so far completed ten permanent houses and expects to have another 26 completed by the end of February.

Other small expatriate groups have reported similar success stories: the Los Angeles based Sri Lanka Fund was able to complete a small community of 40 homes and move the residents in by July 2005; the Florida Buddhist Temple completed by the end of August 16 homes, with \$104,000 in donations.

Bhante Piyananda said he is very concerned about the future of the tsunami survivors, with only a total of 5000 of the needed 80,000 homes completed so far.

"Young girls don't have privacy in the shelters. Children are exposed to all kinds of situations. How can we tell them it's going to take another five years?"