Working Papers on Regional and Urban Economics - From Catastrophe to Opportunity: Housing Quality Improvements in Rural Colombia During the 2010-2011 Floods

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The housing program significantly reduced the incidence of housing deficits among beneficiary households. Additionally, these households showed a reduction in doctor visits and a lower incidence of gastrointestinal diseases, reflecting the program's effectiveness in improving aspects related to household well-being.

Publication Date: Tuesday, 20 of May 2025 Abstract
This study assesses the impact of housing provision in a rural area of a developing country. It examines a government program that delivered prefabricated houses to households whose dwellings were destroyed by flooding caused by the breach of the Canal del Dique in Santa Lucía, Colombia, at the end of 2010. The evaluation combined Difference-in-Differences and Propensity Score Matching methodologies to draw causal inference and mitigate the endogeneity arising from the program's non-random assignment. Housing conditions were measured with an index that captures the main components affected by the intervention, including construction materials, access to basic sanitation, and energy sources used for cooking. The results indicate that the program reduced pre-existing housing deficits by between 0.21 and 0.37 standard deviations. A descriptive analysis of health-related variables shows that the treatment group reported 43.6 percent fewer medical visits and a 38.5 percent lower incidence of gastrointestinal diseases than the control group, underscoring the potential of post-disaster interventions to improve key aspects of household well-being.

Fuente: https://www.banrep.gov.co/en/publications-research/working-papers-regional-urban-economics/from-catastrophe-opportunity-housing-quality