

Abstract

Many disasters are foreshadowed by insufficient preventative care. In this paper, we argue that there is a true *problem of prevention* in that insufficient care is often the result of rational calculations on the part of agents. We identify three factors which lead to dubious efforts in care. First, when objective risks of a disaster are poorly understood, positive experiences may lead to an underestimation of these risks and a corresponding underinvestment in prevention. Second, redundancies designed for safety, may lead agents to take substandard care. Finally, elected officials have an incentive to underinvest in prevention for some disasters, including those that are relatively unlikely.

Keywords: Prevention, Accidents, Volunteer's Dilemma, Learning, Career Concerns.

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