Reply on AC2
Anonymous Referee #1


I do not want to preclude any responses from this reviewer, but I felt I need to comment here also, after reading the response from the authors.

Here I also have some issues. First, the fundamental point I raised is whether the authors actually show proof of the outcome of the different treatment of wealthy and non-wealthy populations in Taiwan.

Now the authors write: "However, the advantage of high income people and their political power is difficult to prove because that works under the table. We can only prove that through the outcome." So here we agree, but I still do not see the evidence, in this case the actual outcome in terms of higher risk reduction in wealthy areas before and after 2006.

Also here, it would be better when the authors address comment-by comment.

And then the authors write: "house price is usually adopted to measure the benefit of public flood protection measures called the hedonic price method. It is a mechanism of cost-benefit analysis which leads public flood protection to the areas where high price buildings are located."

House prices are not used in CBA. Neither is hedonic pricing. It is replacement and repair costs, which only differ between wealthy and non-wealthy neighbourhoods, in as far as houses are larger and more luxurious. This is only partly reflected in housing prices. And house size is usually accounted for in CBA. Location is much more important for house prices than construction costs.
And this statement also got me confused: "Since the risk reduction efforts toward more population and high real estate price areas are democratic and economic (cost-benefit analysis) mechanisms, respectively, rent-seeking is the most possible mechanism."

If the process is democratic and CBA-based, there would not be rent-seeking to the extent that it influences flood risk. I still do not see how the authors could argue otherwise.