



Will the economy feel a post-hurricane bump?

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Will the recovery from Hurricanes Harvey and Irma be good for the American economy?

"You simply have to look at both sides of the equation," answers Michael Tanner of the [Cato Institute](#).

"Yes, it is absolutely good for the carpenter who is going to get paid to put somebody's house back together," he tells OneNewsNow. "But he's not actually creating any new wealth."

The estimated damages from both hurricanes fall between \$150 billion and \$200 billion, CNN Money, citing Moody's Analytics, reported this week.

While a carpenter may be put to work, Tanner explains, a great deal of wealth has been destroyed in the hurricane-ravaged house.

"The person who lost a house has lost at least as much as the carpenter is going to make," he says. "So you net out with no gain at all and, in fact, in most cases, hurricanes ultimately cost us money."

New York Fed President William Dudley told CNBC that the initial impact in both human and economic costs will be harmful. But in the long run, he said, economies tend to snap back from such major events.

"Because you have to build these that were damaged," says Dudley. "I think you'll actually end up boosting the economy later this year."