POLICY BRIEF

A Clash of Contagions: COVID-19 and Conflict

JUNE 2021

Findings

An <u>in-depth study by Mercy Corps</u> based on interviews and discussions with more than 600 individuals in Afghanistan, Nigeria, and Colombia shows that **COVID-19**, and responses to it, are exacerbating drivers of conflict by:



- 1. Diminishing trust in government leaders and institutions
- 2. Increasing economic hardship and resource scarcity
- 3. Disrupting, and often eroding, social cohesion

In these three distinct conflict-affected contexts, the pandemic has proven to be a **boon for armed groups**, **criminal networks**, **and disruptive actors** that have expanded their spheres of influence by capitalizing on communities' increased vulnerability and disillusion with local or national governments. This has manifested in various ways -- for example expanding recruitment, fomenting illicit economic activities such as drug trafficking, or offering financial incentives to garner support.

The policy implications of these trends are far-reaching – whether preventing disease spread, achieving mass immunization, recovering lost and disrupted livelihoods, or building communities resilient to outbreaks of new conflicts and the deterioration of existing ones. The U.S. government, particularly the Departments of State and Defense and USAID, should heed the findings of Mercy Corps' report as **early warning signs of the potential for instability and worsening conflict,** which are likely to outlast the pandemic and have repercussions for national security and international peace.

Recommendations

1. The U.S. COVID-19 Strategy Must Integrate Conflict Prevention & Direct Foreign Assistance to Peacebuilding Activities

Only one-third of one percent of the approximately \$5.4 trillion of the six emergency COVID-19 relief bills that Congress passed has supported global assistance activities. The bulk of these bills (totaling \$19.031 billion) addressed assistance to U.S. citizens abroad, vaccine distribution, and medical relief. In the American Rescue Plan, enacted in March 2021, Congress provided \$930 million to address "economic and stabilization requirements resulting from [the] virus."

To mitigate the secondary impacts of the pandemic on instability and insecurity, and to prevent the eruption of new conflicts – the drivers of which have intensified as a result of COVID-19 – the State Department and USAID must ensure that conflict prevention and peacebuilding programs are integrated into the U.S. government's COVID-19 response strategy. The strategy should commit to using a significant portion of the \$930 million economic and stabilization fund to integrate conflict analysis into all pandemic response activities, facilitate good governance, strengthen grassroots conflict resolution, support communities in rebuilding their livelihoods and moving away from illicit economic activities, and overcome communities' sense of abandonment that has increased the appeal of joining or supporting armed groups. These resources will complement the \$4.2 billion in development aid, which Mercy Corps has called for in the FY2022 budget.

2. Redouble Efforts to Fully and Consistently Implement the Global Fragility Act

The pandemic's deteriorating effects on conflict drivers and its potential to exacerbate global fragility make the implementation of the bipartisan 2019 <u>Global Fragility Act</u> (GFA) more urgent than ever. The GFA is a transformative tool to help the U.S. government strengthen its global conflict prevention and peacebuilding efforts. Consistent with the GFA principles, our research underscores the importance of moving away from a reactive approach towards a preventive approach that ameliorates conflict drivers before they precipitate violence.

The U.S. government should implement the GFA by prioritizing countries and regions most at risk of instability and aligning diplomatic, development, and defense efforts to mitigate threats, prevent armed conflicts, and support peacebuilding. Harnessing the GFA, the Biden-Harris Administration should:

- Finalize and release the Global Fragility Strategy, including the list of priority countries: The GFA dedicates new authorities and resources to launch a new Global Fragility Strategy in at least 5 high-priority, fragile countries over a sustained 10-year period. In December 2020, the Department of State released the U.S. Strategy to Prevent Conflict and Promote Stability pursuant to Section 504(a) of the GFA. However, the report did not meet all of the statutory requirements provided by the law, most notably the selection of the priority countries. Naming the priority countries is an essential prerequisite for the implementing agencies to initiate their diplomatic and programmatic efforts. Moreover, the Administration should abide by Section 504(c)(4) of the GFA and report to Congress the necessary authorities, staffing, and other requirements needed to implement the law and what limitations, if any, continue to impede the progress on implementation, such as lifting funding earmarks or providing notwithstanding authority to grant relief from strict and lengthy procurement regulations needed for quick and adaptive programs.
- Build multilateral support: The Administration should launch and seek contributions for the
 Multi-Donor Global Fragility Fund, leveraging the \$25 million appropriated in the FY21 budget. To
 keep the Fund's start-up timeline and administrative costs from delaying implementation, the
 Administration should house it in an existing platform, such as the Global Community
 Engagement & Resilience Fund. The Administration can use the Fund to raise contributions from
 government, private sector, and philanthropic partners and to better align governments'
 diplomatic and development activities in fragile states as called for in the United Nations and
 World Bank Pathways for Peace report.

- Prioritize research and apply lessons-learned: Mercy Corps' research provides an important contribution to mapping the effects of the COVID-19 pandemic on conflict, insecurity, and instability. Still, there is much we do not yet know that must be better understood to enact conflict transformation and violence prevention as the world emerges from the pandemic. The U.S. government should partner with research entities to develop a comprehensive learning agenda for all GFA assistance and diplomatic activities. Beyond monitoring and evaluation, the U.S. government should support rigorous multi-methods, evidence-based, applied research to better investigate, document, and analyze how the U.S.' diplomatic, development, and defense efforts interact with conflict drivers in differing contexts. This will be key to ensuring that policies and programmatic interventions are data driven, grounded in clear theories of change, and informed by local insights.
- Consult with and support local communities: The GFA mandates consultations to guide the development of the Global Fragility Strategy, and the Administration should organize a thorough, transparent consultation process. In addition, Congress made clear its intent that the GFA "address the long-term underlying causes of fragility and violence through participatory, locally led programs..." The Administration should articulate how U.S. government agencies plan to identify, partner, and seek input and evaluation from the communities where the strategy activities take place. The process should deeply engage with local communities through participatory approaches, draw on local knowledge and expertise, and to ensure that those most affected by deteriorating security conditions are able to inform and help lead efforts to prevent conflict and build resilience.
- Elevate leadership and adopt a whole-of-government approach: Our report demonstrates the need for concerted action to alleviate poverty, promote development, prevent democratic and economic backsliding, and connect good governance to conflict prevention. This is consistent with the GFA, which calls for a whole-of-government strategy and a multi-sectoral approach to violence prevention. Instead of assigning implementation responsibilities to one office or bureau within each agency, the Administration should designate a Deputy or Under Secretary-level official as the GFA coordinator in each Department, who will chair a GFA Task Force of relevant assistant secretaries. This internal structure will foster strong collaboration across bureaus and ensure better alignment of diplomatic and programmatic work.

3. Scale Fiscal Year 2022 Budget to Invest in Peacebuilding and Governance

The Global Fragility Strategy is **only as effective as the resources put behind it.** To date, Congress has appropriated \$360 million for the implementation of the GFA, specifically for the Prevention and Stabilization Fund and Complex Crises Fund, and has authorized the Multi-Donor Global Fragility Fund. But in 2020, while COVID-19 was accelerating instability, Congress reduced the GFA's Prevention and Stabilization Fund to \$100 million.

- The Administration should provide an update to Congress and the public on the obligation of these funds and a detailed plan on how the remaining funds will be used to implement the GFA.
- The U.S. Congress should provide sufficient funding to support the GFA in FY22, specifically to:
 - Restore the Prevention and Stabilization Fund to the FY20 Level of \$200 million— This
 fund allows the State Department and USAID to implement the activities Congress

enumerated in Section 504(a)(4) of the GFA to "address the long-term underlying causes of fragility and violence through participatory, locally led programs, empowering marginalized groups such as youth and women, inclusive dialogues and conflict resolution processes, justice sector reform, good governance, inclusive and accountable service delivery, and community policing and civilian security..." In Section 509 of the GFA, Congress established the Prevention and Stabilization Fund authorized appropriations of \$200 million for each of the fiscal years 2020 through 2024. Congress appropriated \$200 million in 2020 and should do so again in the FY 2022 budget.

- Appropriate \$25 Million to the Multi-Donor Global Fragility Fund but not from the Prevention and Stabilization Fund— In passing the GFA, Congress authorized the U.S. government to establish a fund to encourage contributions from and coordination with other donor governments, the private sector, and philanthropic entities. The FY21 Appropriations Act appropriated \$25 million for this purpose but from the aforementioned Prevention and Stabilization Fund. In FY22, Congress should appropriate \$25 million directly to the Multi-Donor Global Fragility Fund authorized by the GFA.
- Appropriate \$60 Million to the Complex Crises Fund— The Complex Crises Fund (CCF) enables USAID to prevent and respond to unforeseen crises and conflicts. It is the only account of its kind, filling immediate, short-term gaps during emergent crises. The COVID-19 pandemic's detrimental effects on conflict drivers -- and its potential to foment further insecurity -- is exactly the kind of complex, multidimensional crisis that the CCF should respond to and we urge no less than \$60 million for CCF.
- Appropriate at least \$25 million to the Atrocities Prevention Fund— Our research demonstrates how the COVID-19 pandemic is fueling conflict drivers. In FY2021, only \$5 million was enacted for atrocities prevention. Given that armed conflict significantly increases the risk of mass atrocities, we urge Congress to allocate no less than \$25 million to the Atrocities Prevention Fund. In tandem, we urge no less than \$500 thousand be allocated for both the State Department and USAID to conduct Atrocities Prevention Training as mandated in the Elie Wiesel Genocide and Atrocities Prevention Act.
- Appropriate at least \$14.5 million for the Conflict Stabilization Operations (CSO) account— Given how COVID-19 is intensifying the underlying drivers of conflict via the 3 pathways demonstrated in our report, increasing funding to CSO will be crucial to mitigating insecurity and improving stability. The FY2022 budget should also include language that requires the Secretary of State to submit a report to Congress outlining the mission, objectives and major lines of effort of the Bureau of Conflict and Stabilization Operations over the next four years and criteria for measuring progress toward such objectives.
- Maintain robust funding to promote democracy and protect human rights— Our report underscores the importance of supporting good governance, improving state-society relations, and protecting human rights, particularly among marginalized communities, to overcome the secondary impacts of COVID-19 and stave off the heightened risks to peace and stability caused by the pandemic. To that end, Congress should allocate \$100,250,000 to USAID's Democracy Fund and \$190,500,000 to the State Department's Human Rights and Democracy Fund.

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About Mercy Corps

Mercy Corps is a leading global organization powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action — helping people triumph over adversity and build stronger communities from within. Now, and for the future.



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