TITLE VII

# Prevention & Stabilization Fund

Minimum Requirement F.Y. 2022

\$200 million

F.Y. 2021 Enacted



Every dollar invested in prevention **saves an estimated \$16** in the cost of conflict.

## DESCRIPTION

The Prevention and Stabilization Fund (PSF) was authorized in 2019 by the Global Fragility Act (GFA). It aims to avert violence and help stabilize conflict-affected areas.

#### WHAT DOES IT BUY?

The PSF supports stabilization of conflict-affected areas and addresses the root causes of global fragility. Funding will focus on the underlying causes of fragility and violence through empowering marginalized groups such as youth and women, inclusive conflict resolution processes, justice sector reform, transitional justice, good governance, inclusive and accountable service delivery, community policing and civilian security, and related programs. Funds also support accountability for genocide and crimes against humanity.

#### WHY IS IT IMPORTANT?

- In 2017, the impact of violence cost the global economy over <u>\$14.76 trillion</u> in constant purchasing power parity, which is equivalent to 12.4% of global GDP.
- Violent conflicts <u>continue to rise</u> in number, duration, and intensity, spurring the spread of violent extremism and one of the largest displacement crises in human history.
- Lessons learned from <u>past epidemics</u> show that increases in social unrest and risks of conflict persist years after a health crisis passes.
- The Institute for Economics and Peace found that every dollar invested in prevention saves \$16 in the cost of conflict.
- The Global Fragility Act mandates the U.S. Government take a new approach to address conflict, requiring the State Department, the U.S. Agency for International Development, and other agencies to put in place—for the first time—a comprehensive strategy to address state fragility, violent conflict, and extremism, relying on best practices that are key to more effective and integrated U.S. policy.

### WHY SHOULD AMERICANS CARE?

• The post-9/11 wars and counterterrorism operations have cost American taxpayers over **\$6.4 trillion**. Yet, only one-tenth of 1% of the budget goes toward addressing the main drivers of violent extremism through support to political stability, democratic institutions, justice, and peacebuilding.

### **COVID-19 IMPACTS**

New data models forecast that the COVID-19 pandemic could ignite conflict in <u>13 more countries</u> through 2022, leading to more countries experiencing conflict globally than at any other point in the past 30 years, according to the University of Denver's Korbel School of International Studies.

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#### FUNDING HISTORY



