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The Complex Crises Fund: Rapid Response Funding to Help Prevent Deadly Conflict

What is the Complex Crises Fund?

The Complex Crises Fund is a new fund appropriated by Congress that provides much-needed, unprogrammed money for the State Department and United States Agency for International Development (USAID) “to prevent and respond to emerging or unforeseen crises.” Congress first appropriated \$50 million to the Complex Crises Fund in the FY 2010 foreign operations appropriations bill. President Obama’s FY 2011 budget requests \$100 million for the Complex Crises Fund.

Why Do Civilian Agencies Need Rapid Response Funding?

The State Department and USAID submit budgets for their program work at least a year before they will actually use the money that they request from Congress. If a crisis breaks out or a violent conflict erupts, civilian agencies have few resources available to engage in rapid preventive diplomacy or launch crisis mitigation programs. Without funds available to quickly engage the tools of diplomacy and development, the ability of the U.S. government to effectively prevent and mitigate crises is severely hampered.

For example, when violence broke out in Kenya after disputed elections in late 2007, the State Department struggled for weeks to find funds they could use to support the African-led mediation effort that helped halt the crisis.

The lack of flexible funding for civilian agencies has also contributed to the militarization of the U.S.’s response to global crises. Over the past decade, Congress has provided the Department of Defense (DoD) with multiple “flexible funds” to respond to conflict situations in real time. Without rapid response funds available for civilian agencies to act, the military has been left to fund and direct many activities that should be civilian-led.

Congress often criticizes civilian agencies for their slow response to crises, but instead of funding rapid response capabilities within State and USAID they continue to disproportionately fund the military. When conflicts escalate or erupt into violence it is imperative that flexible funding be available to civilian actors who are trained to undertake reconstruction and stabilization, prevention, and crisis response activities—activities where the military lacks expertise and mission focus.

How could the Complex Crises Fund be Used

According to the Administration’s 2011 budget request, the Complex Crises Fund “will support activities to prevent or respond to emerging or unforeseen crises that address reconstruction, security, or stabilization needs. Funding will target countries or regions that demonstrate a high or escalating risk of conflict or instability, or an unanticipated opportunity for progress in a newly-emerging or

fragile democracy. Projects will aim to address and prevent root causes of conflict and instability through a whole-of-government approach and will include host government participation, as well as other partner resources, where possible and appropriate.”

Examples of the types of projects that might be funded include: programs to create jobs in volatile communities in Haiti; mentoring, training and technical assistance to enhance community-based policing skills in Bangladesh; support for positive civic engagement or human rights training for police in Kenya; elections violence prevention and preventive diplomacy in South Sudan.

How does the Complex Crises Fund help rebalance the U.S. foreign policy toolbox?

The Complex Crises Fund specifically replaces the temporary “1207 transfer authority” given to the Department of Defense since 2006. Under 1207 (named after the section of the bill that first authorized it), the Pentagon has transferred funding of up to \$100 million to the State Department to undertake stabilization and reconstruction activities. While the State Department was given these funds, the Pentagon also exercised influence and veto power over the programs. The 1207 authority was never intended to remain permanently housed with DoD, and in 2009, congressional appropriators made clear their intention to end the 1207 funding for DoD and directly provide such funds to the State Department and USAID through the Complex Crises Fund. The Administration’s FY 2011 budget request takes the next step toward fully empowering civilian agencies with flexible crisis prevention and response funding by increasing the Complex Crises Fund to \$100 million and ending 1207 funding.

What has Congress already done on this?

In the FY 2010 appropriations process FCNL lobbied hard for the Complex Crises Fund in the State and Foreign Operations Appropriations bill. Ultimately, it was funded at \$50 million, half our original request. While Congress appropriated funding in the Complex Crises Fund in FY 2010, it has not yet permanently authorized the fund, so renewing and increasing funding will continue to be a challenge each year. In addition House and Senate appropriators disagree about who should control the Complex Crises Fund, with some favoring USAID receiving the money and others favoring giving the Secretary of State direct control. President Obama’s FY 2011 budget requests that the Complex Crises be funded at \$100 million and given directly to the Secretary of State. Secretary Clinton specifically mentioned the importance of the Complex Crises Fund to prevent and mitigate violent conflict when she testified on the budget before Congress February 24 and 25, 2010.

What should Congress do next?

This year, Congress should fully fund and authorize the Complex Crises Fund. The House and Senate Appropriations Subcommittees on State Department and Foreign Operations will largely determine whether the Complex Crises Fund is fully funded at the Administration’s request of \$100 million. The Senate Foreign Relations Committee and House Foreign Affairs Committees hold the key to getting the fund permanently authorized. FCNL believes the fund should be available for both State Department and USAID activities, since the tools of both diplomacy and development are often needed to head off crises and restore peace.

Last updated: March 23, 2010