

Government Shutdown and its Implications for Foreign Policy Background & Talking Points Memo September 2023

Background

Absent congressional action, funding for most of the federal government is set to run out after September 30, 2023. With less than one week until a shutdown, House Republicans have failed to present a viable plan to keep the government open. House Speaker Kevin McCarthy's proposal for a radical one-month continuing resolution, which included extreme border policy riders and across the board cuts of 8% to non-defense spending, was pulled from floor consideration after far-right House Republicans came out in opposition. New reports suggest that Speaker McCarthy is looking to pass an even more draconian CR that has no chance of passing the Senate and likely guaranteeing a shutdown.

The most recent shutdown, lasting 35 days between December 2018 and January 2019, resulted in the partial closure of the Departments of State, Homeland Security, and Commerce, among others, and the furloughing of hundreds of thousands of federal employees, with hundreds of thousands more forced to work without timely pay.

In the event of a shutdown, agencies will be prohibited under the Anti-Deficiency Act from performing all but the most essential functions, such as activities protecting the safety of human life. Although agencies <u>like the Defense Department</u> have issued general shutdown guidance, the exact scope of what will be deemed essential activities will vary by office. There is no doubt, however, that a shutdown will be harmful to U.S. foreign policy and national security.

Talking Points

Harm to U.S. National Security

• A government shutdown will cause untold damage to our national security. By furloughing thousands of foreign policy and national security officials at a time when the United States is faced with compounding international crises, the shutdown will directly impact our national security and weaken global perceptions of U.S. strength and leadership on the world stage. The uncertainty created by a shutdown and lack of funding also impedes our ability to strategically plan for and effectively respond to major international events that will unfold whether or not the U.S. government is funded.

- Thousands more, including <u>members of the military</u>, will be **forced to work while having their paychecks withheld**, damaging morale and creating financial insecurities for our military families.
- During a shutdown, agencies will be unable to bring into the office all but the most critical employees, leaving significant gaps in our national security and diplomatic workforce and diverting critical time and focus toward managing a shutdown, creating significant and avoidable waste of resources. These harms will further exacerbate the damage caused by the unprecedented holdup of hundreds of military appointments by Senator Tommy Tuberville, which are already impacting military readiness.
- Core and critical foreign policy functions will cease during a shutdown. Last shutdown, for example, the State Department was unable to approve new licenses for defense articles or process Foreign Military Sales for our partners, including to Taiwan. Reductions in staff capacity and funding compromise long-term strategic and humanitarian efforts and can limit the provision of critical services to Americans traveling abroad. Overseas, diplomatic operations in embassies and foreign missions could grind to a halt, even with a significant portion of their workforce reporting without pay.

Harm to Efforts to Support Ukraine

- The Defense Department <u>warns</u> that a shutdown will jeopardize our efforts to support Ukraine. Delivery of defense articles and services critical to Ukraine's fight to defend its freedom from Russian aggression would be at risk of being delayed.
- In addition, critical training and educational initiatives may be paused, including training of Ukrainian pilots to fly F-16 fighter jets.
- Ongoing and bipartisan Congressional support of Ukraine has been an important demonstration of America's unwavering commitment to our alliances and partners, the rules-based international order, and the values that undergird it. A shutdown undermines our investment in a more stable and peaceful world and ultimately makes America less safe.

The Need for a CR and Full Appropriations

- The only realistic solution to averting a shutdown is to **pass a Continuing Resolution**, without policy riders, to temporarily fund the government while Congress completes the appropriations process. Such an approach could include fulfilling President Biden's <u>supplement funding request</u> to support Ukraine, replenish the disaster relief fund, and address border enforcement and irregular migration.
- Ultimately, however, even a CR is insufficient to meet the foreign policy and national security needs of the United States. Stopgap measures that temporarily fund agencies at last year's levels fail to take into account new programs and resource requirements and create uncertainty for policymakers who cannot engage in long-term planning. CRs often end up resulting in cuts to programs after considering inflation, and <u>officials are forced to waste administrative time</u> preparing for lapses in funding instead of focusing on core duties. Congress must pass full-year appropriations that fully fund our diplomatic, development, and security needs as soon as possible.

Reactive Q&A

Q. How will our allies and adversaries view the government shutdown?

A. The political extortion on display over government funding is giving America's allies and partners a reason to question our capacity to be a global leader and our reliability as a partner. It also plays into our adversaries' false narrative that democracy and U.S. leadership are in decline.

Q. What's the big deal? This is just a temporary lapse of funding. We will eventually get to an agreement and people will receive backpay.

A. This is no way to govern, wasting money and creating uncertainty in our ability to initiate and complete important national security initiatives. For example, <u>outside experts warn</u> that a shutdown will lead to possible disruptions or lapses to our cyber defenses. National security challenges like emerging and evolving cyber threats will not wait for the United States to resolve political differences on funding.

We would never work for free and we shouldn't expect our public officials to do so either.

Have more questions? Contact:

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