

Statement by Secretary of Defense Lloyd J. Austin III on the Impact of a Full-Year Continuing Resolution

DEC. 6, 2021

The Department of Defense once again faces the threat of a continuing resolution to fund our programs and operations into the new year. While the short-term CR passed by Congress was a necessary measure to keep the government open and provide additional time to reach agreement on full-year appropriations bills, some have even suggested a CR could last an entire year, an unprecedented move that would cause enormous, if not irreparable, damage for a wide range of bipartisan priorities – from defense readiness and modernization, to research and development, to public health.

A full-year CR would be a fiscally unsound way of funding the Department of Defense and government as a whole. It would misalign billions of dollars in resources in a manner inconsistent with evolving threats and the national security landscape, which would erode the U.S. military advantage relative to China, impede our ability to innovate and modernize, degrade readiness, and hurt our people and their families. And it would offer comfort to our enemies, disquiet to our allies, and unnecessary stress to our workforce.

Essentially, in terms of real dollars, a CR would represent a budget cut – and a significant one at that.

I urge Congress to reach a bipartisan, bicameral agreement on FY 2022 appropriations, and avoid a full-year CR, in the coming weeks.

First and most importantly, failure to reach an agreement would put our military and their families under additional and needless stress. It would mean that providing the 2.7 percent pay increase the President proposed and they so richly deserve -- as well as housing allowances and other new benefits -- would come at the expense of suspending many of their change-of-station moves and force us to limit the numbers of new recruits we bring in. And it would result in over five billion dollars in cuts to our operating accounts, too, hurting the readiness of our troops and curtailing our ability to cover the health-care needs of military families.

More than 100 military construction projects -- many of which directly impact the quality of life of our people -- would also be delayed if Congress maintains current funding levels under a full-year CR. And make no mistake about it, the impacts of those delays would be felt not only across the Department, but

also in local communities around the country as job opportunities are lost and revenue for local businesses diminishes.

Of course, failing to reach an agreement on appropriations would also significantly impact the programs, the technologies and the initiatives we are trying to undertake to ensure we remain the most capable military in the world. The Department's efforts to address innovation priorities such as cyber, artificial intelligence and hypersonics programs would be slowed.

At a time when our adversaries are advancing their concepts and capabilities to erode our strategic advantages ... and as we begin to knit together a truly groundbreaking vision of integrated deterrence ... our hands will be tied. We will be forced to spend money on things we don't need and stop spending money on investments we desperately do need.

And I'd note that as important as full-year appropriations are for the Department of Defense, investments at the State Department, in research and development at the major research agencies, and in infrastructure and public health are equally critical to our national security.

Again, I strongly urge Congress to seize this opportunity to sustain American competitiveness, advance American leadership, and enable our forces by immediately reaching a bipartisan, bicameral agreement on full-year 2022 appropriations. It's not only the right thing to do, it's the best thing they can do for our nation's defense.
