

Prolonged U.S. Government Shutdown Could Cost Economy Billions



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WASHINGTON – Oct. 30, 2025 – The ongoing federal government shutdown in the United States could cost the economy between seven billion and 14 billion U.S. dollars, depending on its duration, the Congressional Budget Office (CBO) reported Wednesday.

Entering its fifth week, the shutdown risks setting an all-time record, with little indication of compromise between the Democratic and Republican parties. According to the CBO, the closure

delays federal spending and has a measurable negative impact on the U.S. economy.

The office outlined three possible scenarios: a four-week shutdown ending Oct. 29, a six-week shutdown ending Nov. 12, and an eight-week shutdown ending Nov. 26. By the end of 2026, the reduction in hours worked by furloughed federal employees could reduce real GDP by seven billion dollars under the four-week scenario, 11 billion under the six-week scenario, and 14 billion under the eight-week scenario.

The CBO further estimated that the annualized quarterly growth rate of real GDP in the fourth quarter of 2025 would be reduced by one percentage point in the four-week scenario, 1.5 percentage points in the six-week scenario, and two percentage points in the eight-week scenario.

In related developments, Democratic governors and attorneys general from 25 U.S. states filed a lawsuit against the Trump administration on Tuesday, challenging its conclusion that it lacks authority to use emergency funds to maintain food assistance programs for millions of Americans.

The U.S. Department of Agriculture confirmed that federal food benefits scheduled for Nov. 1 will not be issued amid the shutdown.

The report underscores the urgent need for bipartisan negotiations to end the standoff, as continued federal closures threaten both economic stability and critical public services.