

## [Transcript] The Daily / Why the Government is About to Shut Down

So much has changed over the past few years.

Oh yeah, the shift to remote work, supply chain demands, sustainability concerns, it can be tough for leaders to keep up, but we're here to help.

I'm Elise Hu.

And I'm Josh Klein.

We're the hosts of Built for Change, a podcast from Accenture.

On Built for Change, we've talked with leaders from every corner of the business world to learn how their harnessing changed to totally reinvent their companies and how you can do it too.

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From New York Times, I'm Michael Barrow.

This is A Daily.

Today, a showdown between House Republicans and their leader,

Speaker Kevin McCarthy, is about to turn into a government shutdown this weekend.

My colleague, Chief Washington Correspondent Carl Hulse,

takes us inside the causes and the consequences of the looming crisis.

It's Friday, September 29th.

Carl, we are talking to you at about 12 o'clock on Thursday afternoon.

At this very moment in your estimation,

how likely is it that the U.S. government shuts down the deadline is 12 or 1 a.m. on Saturday?

I mean, pretty likely.

Here's one good reason for that.

The Senate right now is not even scheduled to take a final vote on its emergency plan until Sunday.

Which is not very helpful when the deadline is midnight Saturday.

There could be a kumbaya moment where every witness says, okay, listen, we're going to avoid this.

Let's just pass something to keep the money going.

Panic could set in.

Right.

It's like, oh, we're going to get killed for this.

Let's not do it.

But right now, the timetable itself is set to have a shutdown.

Got it.

So we want you to explain, and way only you can,

why we're going to be enduring this awful experience of a government shutdown, why it is now looking inevitable.

And a lot of the basic dynamics, of course,

Carl, have become very familiar to our listeners, that Republicans have a very slender majority.

And ever since they took over the House at the beginning of the year,

that has meant that a very tiny group of hard right conservatives

have been able to basically run the United States House of Representatives.

And Kevin McCarthy.

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So I take it back to his election for the Speaker, about 20 very hardcore conservative Republicans at various points in that election were opposed to Speaker McCarthy.

So he couldn't really get elected without making some concessions to these people. Certainly the Democrats weren't going to bail them out.

Right.

So he made a lot of promises back then.

None of them were written down.

And all of us have asked, hey, can we see these promises?

And Kevin McCarthy said he didn't want anything written down.

Among those promises was to return federal spending to pre-COVID levels.

That's what conservative Republicans want.

All that money went out the door for a lot of COVID programs.

So the promise was to go back to pre-COVID spending.

But that just hasn't happened.

And they've been putting the heat on him to fulfill that promise.

That's basically what's going on.

Right.

That was one of the promises.

Big spending cuts.

One of the other promises, and this one did get written down, was that at any single moment under McCarthy's speakership, a single House Republican could call for McCarthy to be removed as Speaker, which further empowered these far-right Republicans, as we talked about in past episodes, because it gives them a kind of veto power over his entire speakership.

And now as he's just established, he has disappointed them in that speakership.

Right.

So you're referring to what's known as the motion to vacate.

So he lives under this threat, and they could bring it forward.

So he operates constantly trying to figure out how to avoid having that motion called on him.

And as I recall, the first really big time we see that play out is a couple months ago during the U.S. debt ceiling debate.

This, I know these all get very confusing and piled up,

but that was the last time we faced a giant crisis of whether our government could function.

And it was around whether we might default on our debt.

Right, which was a serious, very serious thing, more serious than a shutdown, I would say, right?

Defaulting would have been the first time in history, and it would have been an economic crisis.

So Kevin McCarthy, I think, recognized what was at stake in the debt limit fight.

So we worked through the night last night.

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We're finalizing.

And he decided ultimately...

He sat down with the president.

I said, let's work together to be able to raise the debt ceiling, but curve the amount of spending.

To cut a deal with President Biden that set certain spending levels that dissatisfied a lot of his far-right members.

We know at any time when you sit and negotiate within two parties that you've got to work with both sides of the aisle.

So it's not 100 percent what everybody wants, but when you look...

And the deal ultimately passed in the House with more Democratic than Republican votes.

Right, because in that moment,

he basically chooses the nation's financial health over potentially his own relationship with these far-right Republicans who can kind of fire him at any moment.

Right, and they were very unhappy.

What I see here in this deal is absolutely one of the biggest abominations since I've been in Washington, D.C. Trillions and trillions of dollars in debt for crumbs.

We fought extensively to empower each individual member of Congress, not unilaterally give our authority over to the Speaker to negotiate a bad deal.

How come it is that Republican leaders always tell us next year we'll fight hard?

We really mean it next year.

And that was when they kind of laid down their marker and said, listen, we are not going to let the business of the House go forward unless you meet our demands on spending.

And we're going to do that through procedural guerrilla warfare.

And they did do it, and trust me, they've been very effective.

And that dynamic is what's gotten us to this point to where we're facing a shutdown.

Do you believe the government is going to shut down?

Yes, and it's Kevin McCarthy's fault that the government is going to shut down.

Well, let's talk about that because McCarthy very well understands the only way he avoids a shutdown, another potential government catastrophe, is to do what he did when it came to the debt ceiling and the risk of default, which is to pass a bill that Democrats like and that some moderate Republicans like.

But of course, as we have very well established here,

that leaves him exposed to this Republican maneuver of trying to house him as Speaker.

Right. And that's a very real risk right now because Matt Gates,

a Republican from Florida, who's his chief nemesis right now among Republicans,

has said if McCarthy makes a deal with the Democrats, he will go with the motion to vacate.

But for Kevin McCarthy, it's kind of the only way out of this mess.

He has to cut a deal at some point with Chuck Schumer and Joe Biden.

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There's no other way to do this.

The Senate is controlled by Democrats and President Biden obviously is a Democrat.

So he is in a position where he is trying to at least appear that he's holding firm against the Democrats.

But at some point, he has to make a deal.

So he decided to do something that he thought would appease the right and maybe get him past this.

And that was announcing an impeachment inquiry of President Biden.

He thought that could maybe satisfy these guys and give him some wiggle room on spending, basically, but it didn't.

They wanted to impeach the president anyway.

And the fiscal hawks are like, well, that doesn't change our mind on spending.

We still want these spending cuts that even a lot of the more mainstream House Republicans don't want.

So this internal dispute has really messed things up to use a technical term.

So not even an impeachment inquiry into the president of the United States,

based on what we have established is pretty shaky evidence, is able to buy McCarthy enough goodwill with these hard right Republicans to avoid us hurtling towards a shutdown.

I just want to understand why McCarthy cannot once again work with the Democrats to save the system

and perhaps assume that if he does that, those Democrats might bail him out in an eventual vote that the far right Republicans might want to hold to oust him.

That would seem like a reasonable political calculation.

Yeah, well, I don't think it's all that reasonable, Michael.

So if he makes a deal with the Democrats, there's certainly going to be a move to oust him.

Everyone has promised that McCarthy knows that.

So your question is, are the Democrats going to ride to the rescue?

I have talked to numerous Democrats about this, including the Democratic leader just yesterday, Hakeem Jeffries from New York, obviously.

He says, we're not there yet. We're not even thinking about it.

I'm not sure they're not even thinking about it.

I think they're thinking a lot about it.

They're just not talking about it and certainly not to me.

But I think after the debt limit vote, the Democrats were happy with McCarthy.

He was willing to take the risk.

He saved the country's financial standing and credit rating and all of our 401ks, right?

So I think if they had that vote, then I think he probably would have gotten help from Democrats right now.

I'm not sure he gets any help from Democrats because what did he do to appease the far right?

One, he didn't stick to the agreement on the debt limit that he made.

And two, he said, let's impeach Joe Biden.

So they're like, well, why would we go with this guy?

Right. Those are not the keys to unlocking Democratic support,

bailing out on an agreement and starting a process that could remove their president.

Yeah. So there is no certainty, obviously, that Democrats would help him.

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But boy, does Kevin McCarthy want to be speaker.

He loves being speaker.

I've never seen a speaker.

And I think I counted.

I've been around for eight.

Wow.

I've never seen anyone kind of relish the job so much.

He stands in the rotunda in a photo line and shakes hands and takes selfies with tourists.

I mean, the guy is really into it.

So he does not want to lose that job, certainly in like an embarrassing humiliating thing on the floor. And you remember, we were all standing there watching these 15 votes that it took for him to become speaker. Most people, I think, would have said, I don't really want it that bad, but he did. And he does.

So, Carl, what I'm hearing you say is we should not underestimate the degree to which Kevin McCarthy will cling to this job with everything he has to the very last possible minute because he just wants desperately to stay on his speaker.

And so this shutdown will be the exact opposite dynamic of what happened with that debt ceiling negotiation. Instead of being willing to risk his job to save the system, McCarthy will pretty consciously sacrifice the system to save this job he loves so much.

We don't know yet what his moment of truth is going to be.

He could still capitulate here and say, OK, I've got to do something to keep the government open. I'm going to work with Democrats. I'm going to take the risk.

I'm a little Irish, OK? I don't walk away from a battle. I knew changing Washington would not be easy. But so far, we have not seen that as he did in the debt limit.

We want to be able to win the policies that we've been fighting for and telling the American public.

And I think right now he is putting his interest in that job ahead of the possible consequences of a shutdown, which we are at this very moment careening towards.

And you know what? If it takes a fight, I'll have a fight.

And it's going to have big consequences. We've been through this before and we know that there is some pain, some real pain, some real pain for people.

We'll be right back.

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Hey, it's Lauren Dragon from Wire Cutter, the product recommendation service from the New York Times, and I test headphones. Sweat is actually conductive because of the saline content in it, so we basically make our own fake sweat and spray it over and over on these headphones to see what happens to them over time. This is 85 dB of airplane noise. We're going to put on some noise-canceling headphones and see how well they actually block out the sounds. Put them on the ground and kick them over there. Okay. Go. Are they broken? No. I have 3,136 entries in my database.

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Kids, workout, running. Does it have a connector that's lightning or USB-C? What version of Bluetooth

is it? Does it have FxHD? We have ones that track your... At Wire Cutter, we do the work so you don't have to. For independent product reviews and recommendations for the real world, come visit us at [nytimes.com slash Wire Cutter](https://nytimes.com/slash/Wire-Cutter). We even have one that's solar powered.

So, Carl, I want to talk about the pain that comes with a shutdown, assuming, as we are now doing, that there's going to be a shutdown in the next day or two. And this is not, of course, your first shutdown, so you bring some real authority to the subject of this pain. Not my first shutdown rodeo, as they say. I can't tell you how many I've been through, but I've been through long ones, short ones, medium ones. They all have their own little dynamic. This one's a little different because past shutdowns have been over one big issue. So, over Obamacare, that was a shutdown. The Democrats forced a very brief shutdown in 2018 over DACA, the young undocumented immigrants

brought here as kids and whether to get them citizenship. Trump had one over the border wall. This is a little more amorphous, but the government, unfortunately, knows how to do this. There's a manual. Literally a manual. I'm sure there's many, many manuals, actually, but if this one happens, it's going to happen on the weekend. So, the first consequences won't be felt as much. It'll be kind of like a slow rolling disaster if it goes into next week. And there's a lot of things that happen. Certainly, things stay open. There's essential people, but they won't be paid. I have a son who works on Capitol Hill and he is not relishing the prospect of not being paid. Certainly, in Washington and the surrounding area, there's a lot of people who will be going without paychecks if this goes for very long. The military will not be paid. In the past, that's been avoided either through a special bill to make sure that they keep getting paid or the defense spending bill had already been passed. So, that part of the government was covered, this time not the case. So, they wouldn't be paid unless there's a special step taken to pay them. That has not happened so far. Another really important group that won't be paid are air traffic controllers. Obviously, hugely important to the economy and just to life in general. We've already seen a bunch of travel disruptions over the past months. So, can you imagine what happens if there's some sort of slow down there with air traffic controllers? I mean, how long are they going to be willing to work without paid? It's like, these jobs are stressful enough. Do you really want to be more stressed out by their economic worries? Right. And I guess we should add, Carl, as our colleagues have reported in the times that there's a long-time national shortage of air traffic controllers. It's well documented. And the idea of not paying controllers as you've just raised might lead some controllers to not show up at work, maybe call in sick. And then you've got thousands of planes in the air and not enough air traffic controllers. And that's an incredibly dangerous situation. Yeah, I'm not looking forward to catching a plane in those circumstances. But I think that this is a real concern that people have. What will happen to the air traffic control system? What happens to the airports? Also, I mean, air traffic controllers obviously aren't the only thing. There's other big popular parts of the federal government that will be affected, national parks. Now, you still may be able to go into a national park, but there's not going to be any facilities open, bathrooms even. And one of the big images from past shutdowns is trash piling up out on the national mall. Right. Because the people who would normally pick it up aren't being paid, they're not working are not there. And the government also prohibits volunteers from my recollection is you can't go out there and pick up that trash. So the



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consequences of this and the reach of it are very broad. And here's another thing, it costs billions of dollars. What do you mean? There's all sorts of costs associated with the shutdown, shutting things down, starting them back up. I mean, the federal government is a huge thing. And so you don't just go, okay, it stops, you know, then you got to restart everything. So there is an actual economic cost here. That, of course, Carl is a bit ironic for the people who are triggering this shutdown who say that they want to cut federal spending. You're saying on some level,

this is going to cost the government more money. Yeah, definitely true. I mean, there are costs associated with it. And that is one of the great ironies here, right? Also interesting, lawmakers get paid because of the Constitution. So they can't stop themselves from being paid, which is also sort of not a great look for them. No, not a great look when the military is not being paid and air traffic controllers are not being paid. So given your experience with past shutdowns, help us understand how, when, and why these things become intolerable at some point, because they always do come to an end. There's just a question of how long. I think the last one was around 40 days. And they do. One kind of truism about it is once you get into a shutdown, it gets hard to get out legislatively, right? People get dug in and some people are going to go, oh, it's not that bad. But there will be bad. I mean, a travel disruption. There'll be something that people will find intolerable as it drags on it. And generally, just people looking at Congress going, what is wrong with you people? Honestly, I do think that that's a factor. Right. And in terms of people being mad at Congress and looking at them and saying, what's the matter with you? It doesn't feel like the blame here is going to end up being all that ambiguous, right? This is a Republican shutdown through and through. And so ultimately, it's going to be Republicans who are going to have to decide it's reached a tipping point. Right. This is really falling hard on the House Republicans. And I think that's a real concern for them going into the election next year that people are going to go, this is ridiculous. Now, they're trying their best to wiggle out of it. McCarthy was asked the other day, why are we having this shutdown? He said, ask Joe Biden. McCarthy is trying to shift the blame right now, but I don't think it's going to work. The House Republicans are going to bear the brunt for this one. And does that mean that Democrats on some level are over in the corner with a little bit of glee on their faces? Or do they worry that as with all disasters, it splashes on them too? Yeah, I think a little bit of that. But I think generally speaking, most people on Capitol Hill are like, we can't do this. This is horribly disruptive.

But I think at the White House also, it's like people ultimately look at this and say, well, the president's got to do something. So I think that they are fairly sure that Kevin McCarthy and the Republicans are going to take the hit for this, but they don't want it to go on for too long because then people start to say, why aren't you fixing this? Got it. So it's a complicated little balancing act for the Democrats and for Biden. Carl, as you said earlier, when a deal finally comes and it always does come, it will by definition have to be bipartisan.

Yeah, there's no way for it not to be. That's what the debt limit showed. You have to have a bipartisan solution. Chuck Schumer has been saying for weeks and even Mitch McConnell saying for weeks

has to be bipartisan. So it's going to have to be that. And then at that point, we'll see how bad it is for Kevin McCarthy. Right. And again, almost by definition, it will be bad for Kevin McCarthy. And then he will have only delayed this inevitable showdown that he fears so much that

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could endanger this job. He loves so much. Right. Unfortunately, all of that's being discussed is only a temporary solution. The most viable resolution of this now being discussed is in the Senate with both Republican and Democratic support. But even that one only funds the government

through November 17. So, you know, we're going to be having this fight again. You're saying we're going to be having this fight again. Again, maybe multiple times, actually. So the showdown for Kevin McCarthy is coming. The only question is, when does it come and does he survive it?

Well, Carl, thank you very much. I assume we will be speaking with you again at some point in the next week. Unfortunately, that's probably true. I mean, yeah, I think this is going to be a persistent issue. Right. Well, Carl, thank you very much. Thanks, Michael.

On Thursday afternoon, after we spoke with Carl, the US government began to formally notify federal

workers that a government shutdown now appears to be imminent. We'll be right back.

I do not believe that the current evidence would support articles of impeachment. That is something that an inquiry has to establish. On Thursday, during the first hearing of House Republicans' impeachment inquiry into President Biden, the star witnesses testified that Republicans lacked proof that Biden has committed impeachable offenses. I am not here today to even suggest that there was corruption fraud or any wrongdoing. In my opinion, more information needs to be gathered and assessed before I would make such an assessment. House Republicans are seeking to show that Biden

is improperly linked to his son's overseas business dealings, but have struggled to find such evidence. That prompted a Democrat involved in the hearing, Representative Jamie Raskin, to mock the proceeding as a waste of time. If the Republicans had a smoking gun or even a dripping water pistol, they would be presenting it today, but they've got nothing on Joe Biden.

Today's episode was produced by Mary Wilson and Eric Krupke. It was edited by Rachel Quester, with help from Brendan Klinkenberg, contains original music by Marion Lazano, and was engineered by Chris Wood. Our theme music is by Jim Brunberg and Ben Lansford of Wonderly.

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That's it for the daily. I'm Michael Bilbaro. See you on Monday.

As students head back to school this year, extremists continue their politically driven attacks against public education. While educators continue to help students and strengthen public schools, educators are addressing learning loss, loneliness, and literacy challenges through strategies that can be sustained and scaled. Instead of banning books and censoring history,



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