

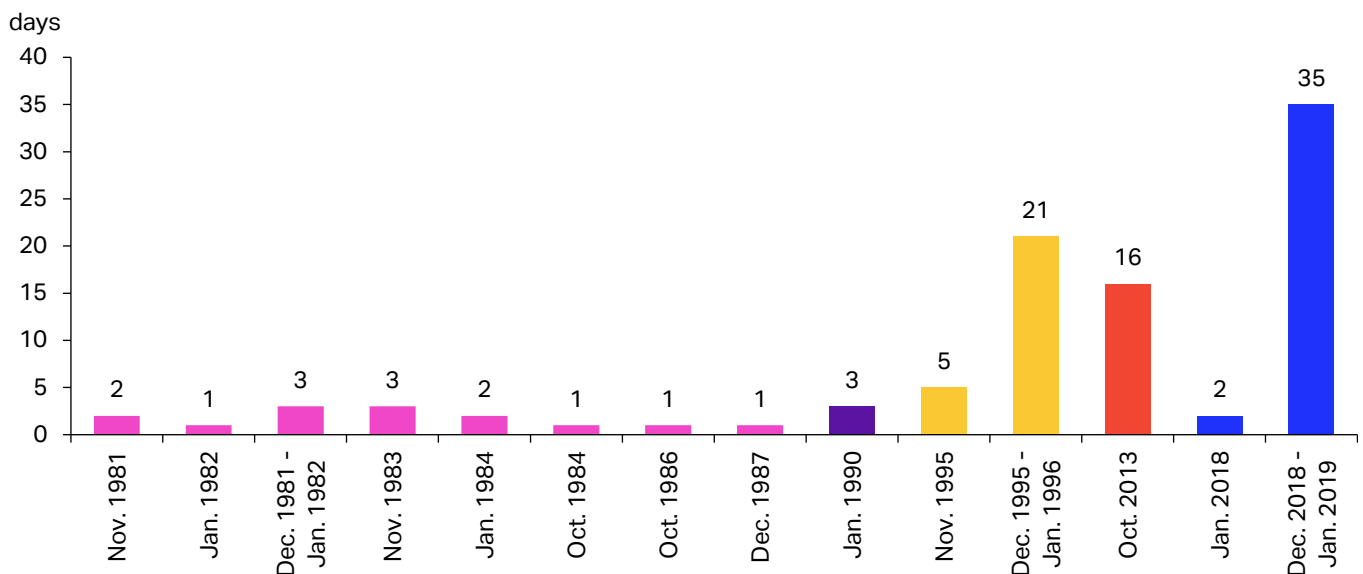


Chart of the Week

3 October 2025

The US Government Shutdown

Duration of the federal government shutdown, in days



Source: US House of Representatives, Congressional Research Service.

- The US federal government entered a full shutdown at midnight on 1 October 2025, having failed to reach an agreement granting the government spending authority. There have been 14 such shutdowns since 1981, of which 10 were government-wide, and most have occurred when the White House, the House of Representatives, and the Senate are not controlled by a single party. The previous shutdown of 2018-2019 was the longest in over four decades and lasted 35 days. The trend in shutdowns points to less frequent but longer-lasting events (see Chart). Shutdowns can be full or partial; the current Congress has not passed any of the 12 appropriation bills needed to fund the US government, making this year's event a full government shutdown.
- Government spending will be halted as a result, though once the issue has been resolved, spending resumes with backpay to federal workers and furloughed employees. Most federal workers are required to stop working (i.e., furloughed) during shutdowns unless they are considered "excepted". The US Federal Aviation Administration (FAA) is to furlough 11,000 employees, about a quarter of its staff, who will not work and will not be paid. Air traffic controllers and around 50,000 Transportation Security Administration (TSA) officers will be exempted and thus continue to work, but without pay. The FAA is structurally short of around 3,500 fully certified air traffic controllers, and encouragingly, hiring and training will continue during the shutdown. The FAA will reportedly also continue operational safety functions of commercial airplanes and engines, as well as investigations into air accidents.
- The impact on the economy and on air transport will depend on the duration of the shutdown. During the 2019 shutdown, absences by air traffic controllers and TSA officers rose as workers missed paychecks, causing longer checkpoint wait times at some airports. Even short-duration shutdowns are likely to lead to reduced service and lower efficiency across the network, impacting travelers. For the economy, each week of full shutdown reduces GDP growth by 0.15 to 0.20 percentage points. While most of the direct impact is recuperated in the wake of any shutdown, the Congressional Budget Office estimated a permanent loss of GDP in 2019 limited to 0.02%.

Terms and Conditions for the use of this IATA Economics Report and its contents can be found [here](#).
By using this IATA Economics Report and its contents in any manner, you agree that the IATA Economics Report Terms and Conditions apply to you and agree to abide by them. If you do not accept these Terms and Conditions, do not use this report.

IATA Sustainability & Economics

economics@iata.org