

The U.S. Must Support Ukraine in a Fiscally Responsible Manner

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KEY TAKEAWAYS

Americans want to assist Ukrainians in defending their sovereignty while ensuring full accountability from Congress for U.S. taxpayer dollars spent.

It is in the U.S. interest to support the self-defense of Ukraine—haphazard, ill-considered, and profligate policies are not.

Support for Ukraine should not threaten the U.S. economy and livelihood of everyday Americans; it must be strategically sound and fiscally responsible.

As Russia's barbaric invasion of Ukraine grinds on, the reality of a protracted struggle demands a clear understanding of the long-term aims for U.S. policy in Ukraine. The White House must openly communicate the planning and implementation of a responsible strategy for achieving those aims to Congress and the American people. Even without direct engagement in conflict, war incurs risks and is costly in both blood and treasure. It is in the U.S. interest to support the self-defense of Ukraine, countering the malicious actions of Russia and China, who would both benefit from a disorganized, divided, and distracted Europe caused by a successful war against Ukraine. The U.S. contribution, however, must be strategically sound and fiscally responsible.

The Biden Administration is considering an additional supplemental funding request. The previous

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request was deeply flawed and ill-considered. The Administration must have the support and confidence of the American people. It must do better. Any additional funding provided by Congress should include offsets, ensure that there is enough time for debate and amendment before voting (including strong oversight and accountability measures), and be based on a clear strategy from the White House that serves U.S. interests.

Further, it is imperative that the American people have some say in the process through their elected representatives. It is through a transparent, deliberative process that the U.S. can build a sustainable, bipartisan foreign policy that transcends party lines and is not subject to the fickle scum of American party politics. Americans want to assist Ukrainians in defending their sovereignty, while ensuring full accountability from Congress for U.S. taxpayer dollars.

No Easy Choices

The Biden Administration should have helped to deter this war. Vladimir Putin was not deterred. Ukrainians, Americans, and Europeans are now faced with the reality of the consequences. War is costly, both in material and lives. So are the consequences of leaving Putin's aggression unaddressed. Putin has clearly stated Moscow's ambition to reabsorb the post-Soviet states, exert dictatorial control over Eastern Europe, see NATO dissolve, and the U.S. less secure and marginalized. In working to derail Putin's plan, alongside the significant aid from allies, American support has helped to secure Ukrainian self-defense.

It is important to remember that the cost of allowing Russia to achieve victory in Ukraine—seizing, holding, and colonizing further sovereign Ukrainian territory, along with its litany of daily atrocities—would exponentially raise the cost to future American taxpayers when Russia's aggression moves on in search of new conquests. Further, many are rightly concerned about the lesson an aggressive China would learn from the failure of the West to undertake a responsible act of self-defense.

Why Ukraine Matters

A Ukraine that can defend itself is a firebreak against further Russian aggression in Europe. A secure, stable, and prosperous Europe benefits the United States. The U.S. is a global power with global interests. A stable Europe contributes to giving the U.S. access to other parts of the world, denies critical strategic space for the malicious actions of Russia and

China, and delivers strategic partners that contribute to common defense and security. In addition, the economies of Europe, along with that of the United States, account for approximately half of the global economy. Wider destabilization from war could catastrophically damage an economy already weakened by President Joe Biden's disastrous fiscal and energy policy.

Why Allies Matter

Russia's war against Ukraine also demonstrates the importance of allies doing their fair share to support the collective security of the transatlantic region, an important policy emphasized by the previous Administration that has now borne fruit. Europeans are poised to provide \$9.5 billion for an Economic Support Fund for Ukraine. Even the European Union has stepped up with an unprecedented military aid package for Ukraine, as well as \$18 billion in refugee support. This is in addition to what the individual member states have contributed, with some proportionally outmatching U.S. contributions. Estonia and Latvia donated the rough equivalent one-third of their annual military budgets to Ukraine, Poland donated around 13 percent, and Slovakia 12 percent. France and the United Kingdom are training Ukrainian soldiers on their soil; the Czech Republic and Slovakia are repairing Ukrainian equipment.

In addition to military training and aid, the European nations accepted large numbers of Ukrainian refugees fleeing the war. President Donald Trump was right. When Americans stand up and demand that U.S. allies stand with them, Americans are collectively better able to protect their own interests.

Previous Shortcomings with the Supplemental Funding Package

Many faults can be found with President Biden's leadership, both in the lead-up to the war and in supporting Ukraine's self-defense, as well as innumerable issues at home, including disastrous policies on the border, crime, the economy, and energy. Supporting Ukrainian self-defense remains an important U.S. interest. Congress has failed to challenge many of the Administration's misdeeds and missteps. Poor leadership from the White House and fiscally compromised and irresponsible execution of U.S. support for Ukraine exacerbates all these failures. The most recent Ukraine Supplemental Funding Package passed through Congress in May fell irresponsibly short.

Not Enough Deliberation. The \$40 billion aid package that President Biden signed on May 21 was rushed through Congress. On April 28, President Biden requested \$33 billion for Ukraine aid. Consideration of the bill was delayed by deliberations by House Democrats on whether to link the bill to COVID-19 funding. Once that issue was resolved, the House speedily passed the bill on May 10 with almost no debate or consideration and sent the bill to the Senate. Likewise, with almost no debate, and delayed only by the failure to achieve unanimous consent, the Senate voted to approve the bill on May 19.

Congress not only rammed through a \$33 billion aid package, but also added an additional \$7 billion to the package and voted on it in under 24 hours with no substantive debates or hearings. Lack of congressional scrutiny makes it more likely that the American people will lose interest in supporting Ukraine's self-defense over time, which would undermine U.S. interests. This likelihood will increase if any abuses of the funding come to light—nearly half of these funds are for the purpose of providing humanitarian and civil assistance. No one should have any confidence that the Biden State Department will effectively oversee the execution of such a vast amount of funding. Full accountability, transparency, and oversight must be in place with such large expenditures of taxpayer money.

Fiscally Irresponsible. None of the \$40 billion appropriated for Ukraine was paid for with existing funds. It is money that the U.S. will have to borrow. Federal spending is already unsustainable and this \$40 billion directly adds to that debt.

This reckless legislating must stop. It threatens the effective prosecution of American foreign policy, and it threatens the U.S. economy and the livelihood of everyday Americans.

It is likely that Congress will consider another Ukraine supplemental package in the coming months. While support for Ukraine is a vital U.S. national interest, policymakers must ensure that aid is provided in a responsible manner.

In order to do so, the Biden Administration must:

- **Ensure that any new funding is fiscally responsible and sustainable.** New appropriations should be offset from existing spending. The Heritage Foundation's "Budget Blueprint for Fiscal Year 2022"¹ includes more than 200 policy reforms to roll back excessive government spending and prioritize taxpayer dollars, including more than \$170 billion in efficiencies in the defense and international affairs budgets. This would be a good place to start.

- **Make the focus of U.S. support building up the self-defense of Ukraine.** A more practical and responsible division of labor is for Europeans and international civil society to focus on governance support and assistance, while the preponderance of U.S. government effort contributes to critical military systems, training, and related operational support.
- **Ensure that Congress has enough time to discuss and shape any new aid package to Ukraine.** Congress should hold public hearings with the appropriate Administration officials and conduct closed briefings with the relevant agencies and departments to ensure that their questions and concerns are addressed before passing the next tranche of aid. This will ensure that skeptical Members of Congress can voice their concerns and those of their constituents, ensuring that the final product has more support and is more open to valid criticism. Allowing the American people's elected representatives to shape how their treasure should be spent in pursuit of national security is a feature, not a bug, of living in a constitutional republic.
- **Ensure that new funding to Ukraine include accountability and oversight measures that stop fraud, waste, and abuse before they start.** This accountability is vital both for American taxpayers and Ukraine. The Ukrainian government cannot fight corruption and impose good governance if it is flooded with unaccountable cash. Effective oversight starts at the front end before the money gets out the door, with clarity of purpose, transparency, and engaging with reputable, responsible, and accountable actors. Additional funding to support the continued operation of the Ukrainian government should contain stringent explicit guidance on the potential use of those funds.
- **Clarify communication to the American people about why supporting Ukraine is in America's national interest and establish a responsible strategy.** This Administration quickly produced a national "gender" strategy, but the country still does not have a national security strategy, a defense strategy, or a suitable, feasible, acceptable strategy for supporting the self-defense of Ukraine. This is a vital yardstick by which Congress and the American people can measure the reasonableness and appropriateness of funding requests.

- **Make any additional aid package contingent on the White House delivering a concrete strategy.** The war has entered a new phase, a more deliberate phase, where, in order to assess the Administration's requests, Congress must have a better understanding of the long-term plan and goal for U.S. aid in order to assess the appropriateness of future requests, both in terms of the items to be provided and the amount of resources.

A stable and secure Europe is in America's interest. Contributions to Ukrainian self-defense make sense. Haphazard, ill-considered, and profligate policies do not.

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Endnote

1. The Heritage Foundation, "Budget Blueprint for Fiscal Year 2022," <https://www.heritage.org/budget/index.html>.