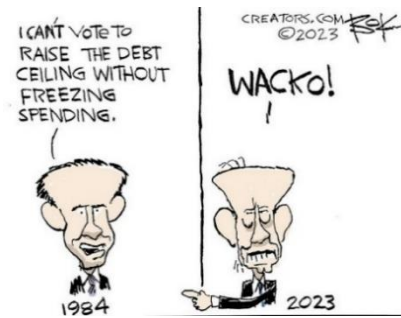


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A different solution for the debt ceiling wars

Steve Bakke  May 25, 2023



Debt ceiling wars must end.

Opposing debt ceiling increases isn't just a republican habit. Congressional roles often change. Senator Obama opposed a Bush ceiling increase using these words: "The fact that we are here today to debate raising America's debt limit is a sign of leadership failure..." And Senator Biden opposed Republican supported increases in 2003, 2004, and 2006.

A debt ceiling isn't just a meaningless obstacle to paying our obligations, as democrats often claim. Sometimes it seems so, but only because spending budgets and borrowing decisions are independent processes, decided months apart.

After budgets are approved, debt ceiling adequacy is left unresolved until a credit crisis is imminent. That shouldn't happen. Used as intended, the debt ceiling approval process provides an important control mechanism for ensuring spending discipline. However, debt and borrowing decisions must be part of the same process.

Having a debt ceiling isn't unconstitutional as many democrats proclaim. Establishing a debt ceiling is congressional fulfillment of Constitution Amendment 14 which established congressional authority "to enforce, by appropriate legislation, the provisions" of the Amendment. Those provisions ensured "the debt of the United States...shall not be questioned."

Even if republicans currently prevail on spending reductions, the flaw of separate processes would remain unchanged. Offering a prudent adjustment to the chaotic current system just might appeal to democrats. It would provide significant value for future budget agreements to automatically bring with them appropriate borrowing approvals.

Next time, early in the process, this solution should be offered. Maybe wisdom will prevail.