

Civics is all around us. There is a lot to know about the government and how "We the People" interact with the government and each other. Let's help each other expand our civic literacy.

Article I, Section 8, Clause 2 of the U.S. Constitution gives Congress the power to impose taxes, spend revenue and "borrow money on the credit of the United States" to pay its debts. In order to keep that borrowing under control, Congress has imposed a debt ceiling which currently sits at \$31.4 trillion. The U.S. government previously reached its debt limit in 2021, which resulted in Congress [passing a measure](#) to increase it. However, on January 19, 2023, the U.S. reached its new debt limit.



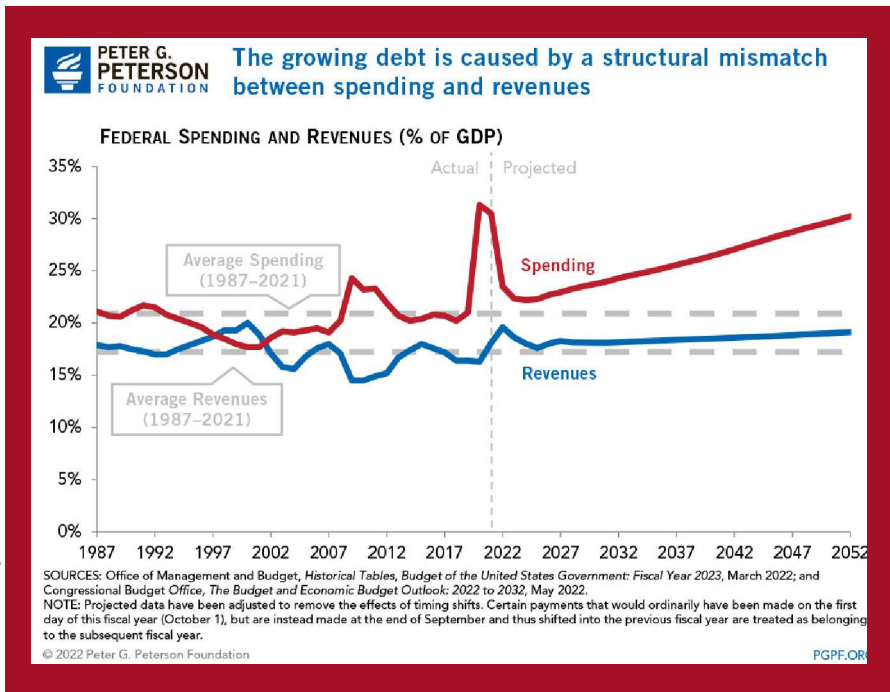
Shortly after, Treasury Secretary Janet Yellen announced that her office used "[extraordinary measures](#)" to prevent the U.S. from defaulting, but that these actions would only provide Congress until June 5th to act. Currently, the nation is two weeks away from that deadline with no resolution in sight. If Congress fails to act on its debt limit, the federal government would be unable to pay its bills and it would potentially lead to an economic crash, most likely resulting in a deep [recession](#).

Debate surrounding the debt ceiling is an important one, and here is why. According to the [Department of the Treasury](#), "**the debt limit is the total amount of money that the United States government is authorized to borrow to meet its existing legal obligations, including Social Security and Medicare benefits, military salaries, interest on the national debt, tax refunds, and other payments.**"

Solving this situation requires members of Congress to compromise and agree to pass new legislation that would lift the current debt ceiling and allow the government to continue paying its bills. The Republican controlled House is willing to increase the debt limit, but wants to accompany this increase with deep spending cuts. Democrats in the House would prefer a clean debt ceiling increase. With the clock ticking, both congressional leaders and the president have been meeting since January, albeit more frequently these last two weeks. President Biden is attending the G7 Summit in Japan this week, but will be [cutting his trip short](#) to return to Washington and help solidify a deal.

With only two weeks left to reach an agreement and get a bill passed in both the House and the Senate, a more obscure solution has been suggested to the president. [Section 4 of the 14th Amendment](#) states the "validity of the public debt, authorized by law...shall not be questioned." Adopted to ensure the post-Civil War bonds and debt were paid, some legal experts theorize that this language means that the president has a constitutional duty to bypass Congress and unilaterally raise the debt ceiling if the circumstances demand it. This would be an untested theory that President Biden has indicated he is wary of testing.

**To Think and To Do:** Failure to raise the debt ceiling will not result in reducing the national debt, but instead will result in the U.S. defaulting on existing debt for the first time in its history. Given the economic catastrophes that have been predicted to occur if the government defaults on its debt payments, is it worth the president taking constitutionally questionable action to prevent it? Explain.



### Learn More:

- [Debt Limit](#), from the U.S. Department of the Treasury
- [How a Debt Ceiling Standoff Could Devastate Your Finances](#), from Forbes
- [Federal Spending by Agency](#), from USAspending.gov



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