

those who are out of work even more. It would mean higher interest rates on cars, on home loans, on credit cards, on student loans. It would mean fewer jobs and less growth.

Instability, uncertainty, creates a downdraft on the recovery. Congress should be focusing on economic recovery and creating jobs if we want to close that deficit gap. You balance budgets by full employment economies. We surpassed the debt limit over 2 months ago, and come August 2, the Treasury will simply not be able to pay all the bills that are currently due.

Yes, it's long overdue to reach a compromise. Instead, Speaker BOEHNER has walked away from the negotiating table and has chosen to roll out a hasty bill that hasn't gone through the normal committee process. Apparently, many in his own party reject it. This isn't leadership for America at a time when she needs it. It may be capitulation to Grover Norquist and his lobby, but our responsibility is far greater.

Mr. Speaker, the way that you balance budgets is to put people to work and grow the economy. I support a balanced, bipartisan solution to reduce our deficit, create jobs and grow our economy, to expand our middle class and protect Medicare, Social Security and Medicaid beneficiaries. The solution to deficits is robust job growth and full economic recovery. Let's spend two months putting that initiative forward!

#### THE AMERICAN DEBT LIMIT HELD HOSTAGE—AN UNNECESSARY CRISIS

The SPEAKER pro tempore. The Chair recognizes the gentleman from Massachusetts (Mr. OLVER) for 5 minutes.

Mr. OLVER. Mr. Speaker, today we face an unnecessary crisis. The debt limit has never before been held hostage by any political party, because it is in every American's best interest to protect the credit of the United States; but now ideologues in Congress have hijacked this issue, and have pushed our Nation to the brink of default in rejecting all offers of compromise.

Calls for massive spending cuts, and spending cuts alone, without raising any revenues whatsoever are irresponsible at least and deliberately destructive at worst. They would default on our debt, causing a global financial crisis, rather than see hedge fund managers, corporate jet owners or phenomenally profitable oil companies pay higher taxes. Their call for fiscal responsibility rings hollow, and the fiscal history of the last three decades shows that.

This chart shows the growth of America's national debt since 1980.

At the end of the Carter administration, the national debt was less than \$1 trillion. Twelve years later, with President Reagan's 8 years and the first President Bush's 4 years, the national debt had grown by more than 300 per-

cent—it had quadrupled—and we were mired in debt. The Reagan-Bush economic policies greatly increased the debt and led to soaring deficits and rising interest rates. It ended in a recession.

In 1993, President Clinton was under severe pressure from the very Republicans who had meekly followed the two Republican Presidents as they raised the national debt by over 300 percent. President Clinton championed a balanced austerity program with, roughly, equal spending cuts and revenue increases—the Clinton years. Republicans in both the House and Senate voted unanimously against that program, arguing it would cost jobs and cause a recession, but the exact opposite occurred. More than 20 million jobs were created under the Clinton administration, and each of the last three budgets of the Clinton Presidency produced a surplus. Those three budgets were the only budgets and surplus in the last 40 years, and Clinton's balanced program is considered highly successful by economists. President Clinton raised taxes on those who could afford it and reduced spending to shrink our deficit, and the economy grew by leaps and bounds.

The fiscal record of the second President Bush is a record of utter irresponsibility. It began with massive tax cuts, skewed sharply toward the wealthy, and with trillions of dollars spent on two long, unpopular wars—all of that paid for by borrowing. It ended in the Great Recession, caused by the collapse of an unregulated housing market which was fueled by Wall Street greed. President Bush turned President Clinton's surplus into more than 5 trillion additional dollars added to our national debt—all the way up to here—almost doubling the debt again.

President Obama was inaugurated during the worst month of job losses in the Great Recession and cannot be blamed for what happened before, but the recovery has stalled, and we're short 12 million jobs.

History has shown us what works and what doesn't. The Reagan-Bush economics led to hugely increased debt. The Clinton economics eliminated the deficit and accelerated economic growth, but it required some sacrifice by all Americans to fix the national problem.

Now Republicans want to slash social programs, gut Medicare and Social Security benefits, and further reduce taxes for the wealthiest few. The Republicans threaten default on our debt. The only plan they offer would add hundreds of thousands of people to the unemployment lines by eliminating jobs in the public sector. They would protect the wealthiest few at the expense of the entire country. They offer no plan to create jobs and no long-term solution. Yet America needs a long-term solution, and that must include spending reduction and revenue increase in balanced proportion.

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#### DEBT CEILING HOSTAGE

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, the elaborate Kabuki dance continues here on Capitol Hill surrounding the angst about increasing the debt ceiling. I think what we are seeing can be summarized in three words: "recklessness," "abuse," and "hypocrisy."

First of all, it is reckless for my Republican friends to hold the debt ceiling discussions hostage in an attempt to achieve other political goals. There have already been significant costs. American currency has weakened. We've watched a slide of the stock market since last Friday when the agreement blew up as Speaker BOEHNER walked away from his work with President Obama. We've watched premiums being paid now to ensure United States debt. People are making adjustments that are having consequences right now and eroding the confidence that we have had globally in the strength of American commitments to pay its debt—a confidence that has resulted in record low-interest rates that have benefited everybody in the United States, and that is at risk.

The irony is that there is no reason for this to occur. We have increased the debt ceiling 102 times since this unusual little law was enacted in 1917. The United States, you recall, is one of only two countries in the entire world that goes through this charade of having to vote to finance spending that we've already done.

It has always been routine. We did this routinely for President Bush. The irony is now when we are facing another adjustment in the debt ceiling, ironically most of the debt, \$9.5 billion, was incurred as a direct result of the policies of the two Presidents Bush and Ronald Reagan. There is a great little chart on page A-14 in today's New York Times that outlines this.

Instead of making it routine and making whatever pontification people will do on the floor of the House, which they have done since 1917, now all of a sudden we have thrown a monkey wrench into the process. We've raised the specter of default. We're having people speculate whether there's enough money to go to August 2 or August 5. We're speculating about what debts, what bills the President will pay.

The irony is that this Republican recklessness is actually empowering the President of the United States to make decisions about whether to pay Chinese creditors or honor our obligations to senior citizens or people who do business with the United States.

Absolutely outrageous.

Wouldn't you think Congress would like to make these decisions rather than punting to the President? Well, no. In fact, the Republicans are more