

Remarks on the Public Debt Limit and an Exchange With Reporters
October 4, 2021

The President. Good morning. It will come as no surprise to you, I'd like to talk about what we need today to raise the debt limit and why the Republicans in Congress are—what they're doing today is so reckless and dangerous, in my view.

Raising the debt limit comes down to paying what we already owe, what has already been acquired, not anything new. It starts with a simple truth: The United States is a nation that pays its bills and always has. From its inception, we have never defaulted.

What we pay for is what keeps us a great nation: Social Security benefits for seniors, salaries for brave servicemembers and benefits for veterans, and other financial obligations for our people and for our Nation. We're able to meet these obligations based on the revenue we receive from taxes and based on our ability to borrow what—when needed.

And in that case, we're able to borrow because we always pay our debt. We always pay what we owe. We've never failed. That's America. That's who we are. That's what's called for. It's called "full faith and credit of the United States." It's rock solid. It's the best in the world.

But here's the deal: There's a cap on what we can borrow called the "debt limit." And only Congress can raise or lower that debt limit. So let me be really clear. This is really important to know: Raising the debt limit is about paying off our old debts. It has nothing to do with any new spending being considered. It has nothing to do with my plan for infrastructure or building back better. Zero. Zero. Both of which, I might add, are paid for.

So, if we're going to make good on what's already been approved by previous Congresses and previous Presidents and parties, we have to pay for it: Social Security benefits the American people were promised, salaries for service men and women, benefits for veterans, we're going to have to raise the debt limit if we're going to meet those obligations. And raising the debt limit is usually a bipartisan undertaking. And it should be. That's what is not happening today.

The reason we have to raise the debt limit is, in part, because of the reckless tax and spending policies under the previous Trump administration. In 4 years, they incurred nearly \$8 trillion—in 4 years, \$8 trillion—in additional debt and bills we have to now pay off. That's more than a quarter of the entire debt incurred now outstanding after more than 200 years.

And Republicans in Congress raised the debt three times when Donald Trump was President, and each time with Democrat support. But now they won't raise it even though they are responsible for more than \$8 trillion in bills incurred in 4 years under the previous administration. That's what we'd be paying off.

They won't raise it even though defaulting on the debt would lead to a self-inflicted wound that takes our economy over a cliff and risks jobs and retirement savings, Social Security benefits, salaries for servicemembers, benefits for veterans, and so much more.

A failure to raise the debt limit will call into question Congress's willingness to meet our obligations that we've already incurred—not new ones; we've already incurred. This is going to undermine the safety of U.S. Treasury securities. And it will threaten the reserve status of the dollar as the world's currency that the world relies on. American credit rating will be downgraded. Interest rates will rise for mortgages, auto loans, credit cards borrowing.

Folks watching at home, you should know this is the Republican position. Here's what it is: They won't vote to raise the debt limit to cover their own spending. Democrats voted with them to cover that spending the last 4 years—the previous 4 years. They say Democrats should do it alone.

But then they're threatening to use a procedural power called the filibuster, meaning that we'd have to get 60 votes—not 50 votes—to increase the debt limit. This would block the Democrats from meeting our obligations and responsibilities to prevent Congress from raising the debt limit.

So let's be clear: Not only are Republicans refusing to do their job, they're threatening to use the power—their power to prevent us from doing our job: saving the economy from a catastrophic event. I think, quite frankly, it's hypocritical, dangerous, and disgraceful.

Their obstruction and irresponsibility knows absolutely no bounds——

[At this point, the President coughed.]

——excuse me——especially as we're clawing our way out of this pandemic. Democrats will meet our responsibility and obligation to this country. We're not expecting Republicans to do their part. They've made that clear from the beginning.

We've tried asking to no avail. We're just asking them not to use procedural tricks to block us from doing the job that they won't do.

A meteor is headed to crash into our economy. Democrats are willing to do all the work stopping it. Republicans just have to let us do our job; just get out of the way. If you don't want to help save the country, get out of the way so you don't destroy it.

We don't have time to delay with elaborate procedural schemes—which Republicans' proposals require—scores of votes without any certainty at all, many of which have nothing to do with the debt limit at all. And that's when accidents happen.

In the days ahead, even before the default date, people may see the value of their retirement accounts shrink. They may see interest rates go up, which will ultimately raise their mortgage payments and car payments. And the American people—look, I'll just say it this way: As soon as this week, your savings and your pocket—your pocketbook could be directly impacted by this Republican stunt. It's as simple as that.

Republicans say they will not do their part to avoid this needless calamity. So be it. But they need to stop playing Russian roulette with the U.S. economy. It's one thing to pay our debts already acquired. It's another to require a supermajority to pay the debts already acquired. It's not right.

Let the Democrats vote to raise the debt ceiling this week without obstruction or further delays. Democrats in the House have already passed a bill that would do that. It's sitting in the United States Senate, where Democrats have the votes ready to pass it. That's the only way to eliminate the uncertainty and risk that's going to harm American families and our economy.

Let us vote and end the mess. You know, we've got to get this done. We must get this done. It is like, as I said, playing Russian roulette to play these games. We can do it this week. Just get out of the way and let us pass it.

Thank you.

Q. Mr. President——

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Senate Minority Leader A. Mitchell McConnell/Use of the Filibuster in the Senate

Q. Mr. President, Senator Mitch McConnell says he has sent a letter to you explaining his view. Have you seen that letter? Have you communicated with him?

The President. I have. Sorry.

Q. And how dire do you believe this is if action doesn't take place in the next few days?

The President. First of all, I did get a letter. I got it 10 minutes before I walked in here. I've read it. I plan on talking to Mitch about it. He and I have been down this road once before, back when I was Vice President. And I hope we can have some intelligent and honest conversation about what he's proposing.

And I think the easiest way to do this—and if the Republicans would not use the filibuster—would be to let us vote on what is already in the Senate right now, passed by the House, to raise the debt limit. And we could do that in the next several days.

Q. Mr. President——

Q. Mr. President——

The President's Legislative Agenda

Q. Mr. President. Thank you, Mr. President. You've often touted your experience in the Senate, your 36 years in the Senate. Your aides have talked about your abilities to be a closer on deals involving legislation. Why were you unable, Mr. President, to close the deal with members of your own party on key parts of your legislative agenda last week? Thank you.

The President. I was able to close the deal on 99 percent of my party. [Laughter] Two. Two people. That's still underway. I don't think there's been a President who's been able to close deals—has been in a position where he has only 50 votes in the Senate and a bare majority in the House. This is a process. This is a process. We'll get it done.

Q. Mr. President——

Q. Mr. President——

Q. Mr. President, it sounds like you're putting the blame squarely on two U.S. Senators for your inability to close that deal: Senator Sinema and Senator Manchin. Am I incorrect? Is that who the blame lies with?

The President. Look, I need 50 votes in the Senate. I have 48.

Budget Reconciliation Process/Public Debt Limit

Q. Mr. President, Leader Schumer has vowed not to raise the debt ceiling through the reconciliation process. So, ultimately, if push——

The President. Say that again. I'm sorry.

Q. Leader Schumer has said he won't raise the debt ceiling through the reconciliation process. So, ultimately, if push comes to shove, and Senator McConnell does not change his position, what is more important: that position that Senator Schumer has, or raising the debt ceiling?

And then I also have a question for you on Ethiopia, if you would.

The President. I'm going answer one—I'm not going to answer Ethiopia. Let's stick on the debt so we don't confuse the American people.

Number one, the issue of reconciliation, which is like code to the American people—"What's reconciliation?"—there is a process that I understand the Republican leader is willing to initiate, go through, that would require literally up to hundreds of votes. It's unlimited number of votes having nothing directly to do with the debt limit; it could be everything from Ethiopia to anything else that has nothing to do with the debt limit. And it's fraught with all kinds of potential danger for a miscalculation, and it would have to happen twice.

So you could literally have several hundred votes over the next number of days. Everything else would come to a standstill, but you still find yourself in a situation where, at the end of the day, we may have passed something that, in fact, then has to be undone again by either Democrats or Republicans.

It's an incredibly complicated, cumbersome process, when there's a very simple process sitting out there. Sitting at the desk in the United States Senate is a bill passed by the House, saying: "We, Democrats, will raise the debt limit, take responsibility for raising it, even though we didn't—some voted to acquire the debt as well. We will go ahead and do that." That's the way to proceed.

Q. But if it comes down to reconciliation or raising the debt ceiling, which position would you take?

The President. I'm not going to cross that bridge until we have to get there.

Q. Mr. President, on the——

Ethiopia

Q. Can you address the allegations of genocide and why you haven't yet imposed those sanctions that you authorized 2 weeks ago, sir?

The President. I'll speak to that later.

Senator Kyrsten L. Sinema

Q. Regarding your Build Back Better agenda, we know the topline figure from Senator Manchin is \$1.5 trillion. Senator Kyrsten Sinema has yet to really give that number of where she's willing to go to go or how high she's willing to go. But she says she's negotiating in good faith with the White House. What is her figure?

The President. I'll let her tell you that. I don't want to—we're in negotiations.

Q. Is it between 1.5 and 3.5? Is it higher, at least, than the 1.5?

The President. I'm not going to negotiate in public here.

Q. Mr. President——

Q. Mr. President——

Q. Sir——

Public Debt Limit

Q. Mr. President, how is what the Republicans are doing now any different from when you opposed raising the debt limit as a Senator during the Bush years?

The President. Because we weren't calling for filibuster. We did—not requiring 60 votes. And it was a straight up-and-down vote.

Public Pressure on Democratic Senators

Q. Mr. President, just one—Mr. President, you're talking about how you have 48 Democratic votes right now. The other two have been pressured, over the weekend, by activists. Joe Manchin had people on kayaks show up to his boat to yell at him. Senator Sinema, last night, was chased into a restroom. Do you think that those tactics are crossing a line?

The President. I don't think they're appropriate tactics, but it happens to everybody from the—[laughter]—the only people it doesn't happen to are people who have Secret Service standing around them. So it's part of the process.

Yes, sir. You—go ahead.

Q. And, Mr. President, just really quickly. A lot of people have been trying to attach immigration—

The President's Legislative Agenda/Education/Childcare

Q. Mr. President, your—I know you don't want to comment on other Senators' positions in the negotiations, but what do you think the size of the reconciliation package should be? What specific dollar figure?

The President. Well, I've laid out what I thought it should be. It's not going to be that; it's going to be less. I mean, look, the legislation—both the Build Back Better piece, as well as the infrastructure piece—are things that I wrote. These are—these didn't come from, God love them, Bernie Sanders or A.O.C. or anybody else. I wrote them. I disagreed with "Medicare for all," for example. I disagreed—but I laid out what I thought would be important.

For example, I think—from the Build Back Better program—it's required that we in fact have the best education available to us. And I'll be speaking to this in detail tomorrow.

But look, here's the situation: How can we, in an ever-competitive world, increasingly competitive world—how can we not meet the educational standards of—at least other countries are working toward? Nobody is reducing the number of years they want their children to go to school or people to go school.

You've heard me say it before, as my wife says: If we don't—if any country outeducates us, they're going to outcompete us. Look what China is doing. Look what the rest of the world is doing. They're investing.

They're also investing in things that relate to ability for people to go to work and stay at work. We have several million women who can't go back to work because they don't have any way to take care of their children. So, to give a tax cut to a working mom to be able to afford daycare, is that bad? Is that a bad idea? I think it's a darn good idea. It will get people back to work.

So there's a lot of things in the legislation I'm going to be talking about across the country that I think the American people overwhelmingly support. But the idea that somehow this is somebody else's legislation—this is what I wrote.

Budget Reconciliation Process

Q. But, sir, would you accept a \$2 trillion—say, a \$2 trillion reconciliation bill? Would that be acceptable to you?

The President. Again, it—as you know, it's not a smart thing to negotiate with yourself in public. Let's see—we're in the process of continuing to talk to all the parties and see what we can get done.

Q. Sir, Mr. President, sir—

Pandora Papers Leak/The President's Legislative Agenda

Q. Thank you so much, Mr. President. Two questions. First, you said there was progress in the negotiation. But today, you said you only have 48 votes. So what is this progress?

And another question on a foreign—an international news that was big yesterday about the Pandora Papers. Do you have any reaction? You put fight against corruption as the core——

The President. About what? I'm sorry, I didn't get the last part.

Q. Pandora Papers. The Pandora Papers. You had said that you put fight against corruption in the core of your national security policy. So what is your reaction? And do you plan to do anything about it?

The President. We're looking at that right now. And the first part of your question was what?

Q. Was about progress. What does progress look like for you in the negotiations?

The President. Winning. That's the progress. The last question, all the way at the back.

Q. Sir, on the Hyde Amendment, the Hyde Amendment——

Public Debt Limit/Senate Minority Leader A. Mitchell McConnell

Q. Mr. President, you—I just want to be very clear: Can you guarantee that the U.S. will not breach the debt ceiling, that that will not happen?

The President. No, I can't. That's up to Mitch McConnell.

Q. So it is possible that the U.S. will not pay its debt? That is possible—that is a real possibility?

The President. I can't believe that that will be the end result because the consequence is so dire. I don't believe that. But can I guarantee it? If I could, I would, but I can't.

Thank you all very much. Appreciate it.

Q. Sir, the Hyde Amendment: Senator Manchin says the deal is off if the Hyde Amendment is not included? Do you support that?

NOTE: The President spoke at 11:45 a.m. in the State Dining Room at the White House. In his remarks, he referred to Sen. Bernard Sanders; and Rep. Alexandria Ocasio-Cortez. He also referred to S. 1301; and H.R. 3684.

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