# FIELD:LITERATURE

1.What is debt ceiling?

* Debt ceiling is the maximum amount of money that can be borrowed to be established for a variety of reasons,for example,for the government to meet its legal obligations by issuing bonds.

2.Who is responsible to set debt ceiling?

* The debt ceiling is set by the congress because the congress is responsible for imposing restriction on the amount of outstanding national debt that the federal government can have.
* It is set by the congress because the congress is the one responsible for the raising and lowering debt ceiling to avoid the possibility of default and keep the economy running with no signs of congress turning to other options ,despite questions over the debt ceiling effectiveness.
* The debt ceiling is set by the congress because the congress represents people and makes national laws,which shows that it is a legislative branch of federal government,therefore it is acceptable.
* It is set by the congress because the congress shares power with the executive branch led by the President and the judicial branch whose highest body is the Supreme Court,hence it is legal.
* It is set by the congress because the congress is the one to suspend the debt ceiling when the treasury reaches its limit,as the treasury uses more money than it receives taxes and other revenues.
* The debt ceiling is set by the congress because the congress is the one responsible to authorize the government to borrow to continue to finance payments so as to make up the difference and increase the limit.
* It is set by the congress because the congress approves the level the government should spend and allows the government to meet its existing obligations to citizens and bondholders.
* The debt ceiling is set by the congress because the congress puts extraordinary measures to buy time and generate enough cash for the time ,which does not prevent the government from reaching the debt ceiling eventually.
* It is set by the congress because the congress act in time whenever there is a failure in making interest or principal payments on time,because this increases the interest that investors demand when they buy treasury bonds.
* The debt ceiling is set by the congress because the congress allows borrowing until the total government borrowing reaches the new limit and reinstates the debt limit at a level that accomodates federal borrowing that has occured until then.
* Source;Investopedia