Congressional Voting on the Federal Debt Ceiling: An Analysis of Voting Behavior in the House of Representatives

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Executive Summary:

This paper is an analysis on House Representative voting patterns in regards to increasing the federal debt ceiling. This study relied on data obtained from Howard Rosenthal and Keith Poole on roll call data from 1993 until 2011, with specific attention to House of Representative votes.

This paper focuses on the federal debt ceiling and the recent increases to continue financing government operations. The federal debt has been increasing at unprecedented levels due to the lack of economic growth and financial crisis that have impacted the United States. The impact of increasing the federal debt limit is examined as well as the effect of past policies to address this issue. The analysis draws on a regression model examining votes against raising the debt limit and found political parties opposite of the Presidential party vote against increases to debt. The findings suggest political party affiliation is the strongest indicator of voting behavior on the federal debt limit. Further research needs to be conducted at the individual level of House members to get a better analysis of voting behavior and factors that attribute to voting patterns.

Problem Statement:

I analyze legislative voting behavior in regards to the federal deficit and government spending. This past August, the rating agency Standard & Poors downgraded the United States sovereign debt from AAA (the highest rating) to AA+ (one grade below AAA). Although the other two rating agencies, Fitch and Moody's have not downgraded the United States, Moody's has put the US on the watch list. This means that rating agencies believe the United States is not as financially secure as it once was and could possibly default on its current debt obligations.

Votes to increase the federal debt ceiling have passed every year over the last 20 years, except during the 106th Congress from 1999 to 2001, when there was no vote to increase the debt ceiling. This has gone largely unnoticed until recently with the possibility of a government shutdown or default on interest payments if Congressional leaders did not vote to increase the debt ceiling. Although the federal deficit has increased, most interesting are those congressional members who voted against increasing the debt ceiling. These congressional members have specific motives for voting against increasing the debt limit and I examine these issues.

The analysis I propose is important for a variety of reasons. Voters can gain insight into strategies behind congressional roll call voting if any exist and the behavior of leaders over time given different administrations. In addition, policy analysts studying congressional voting have come up with many theories explaining positions over time and voting patterns among leaders. These theories inform my Capstone analysis of examining what predicts a congressional member to vote against raising the federal debt

ceiling. This type of analysis will be helpful in predicting the actions of congressional leaders should another debt crisis occur and can predict what type of congressional member will vote against increasing the debt limit.

In addition, I reference literature on the debt ceiling, its impacts, and why representatives vote the way they do. The literature I will analyze is from the political science perspective. I plan on looking at various articles describing legislator positions over time, voting patterns, strategy behind roll call voting, and what factors make legislators vote with their party versus their constituency.

Introduction:

Most people hear the word “federal deficit” and automatically think of excessive spending. Since the United States almost defaulted on its debt in August 2011, there are billboards all across America highlighting the national debt and how much each American would have to pay in order to pay it off. Many politicians have called for a Constitutional Amendment making the federal government abide by a balanced budget. Other politicians have stressed the need to cut government spending and increase taxes. Both sides argue over what seems to be a losing battle of balancing the budget as no side can agree on what policy would be best for the government.

The federal debt is comprised of two types of debt: debt held by the public and debt held by the government. Debt held by the public occurs when the government sells debt to the public to finance budget deficits and acquire financial resources to meet its obligations. Essentially the government sells bonds and securities to taxpayers as well as other investors, domestic and foreign (including foreign governments, especially China

and Japan) and also the Federal Reserve to finance capital projects and government expenditures. Debt held by the government happens when the federal government issues debt to certain government accounts like Social Security and Medicare trust funds in exchange for their surpluses. (Austin 2012). The combined total of debt held by the public and debt held by the government makes up the federal debt.

In 1996 the debt as a percent of GDP was 66.6% with the public holding about 48% of this total. This has dramatically increased and as of 2011 the amount of debt as a percentage of GDP was 97.7% with the public holding about 67% of the debt (Austin 2012). As GDP has decreased in the early 2000s ad large deficits returned, debt held by the government also increased. The large increase in debt can be contributed to the increasing costs of financing government agencies and entitlement programs. As more and more baby boomers retire and entire into Social Security, more money must be allocated to this program because Social Security payroll taxes have exceeded payments of beneficiaries.

Congress has always placed restrictions on how high the federal debt can reach. In times of economic distress, many times the Executive branch has strategic maneuvers to ensure the United States does not default on its current debt obligations. On July 15th 2011, the Treasury announced it had suspended reinvestment in the Exchange Stabilization Fund before its borrowing authority would end on August 2nd 2011 as a measure to keep the government operating (Austin 2012). In addition, the Treasury has sold mortgage-backed securities to keep funds to pay government expenditures. To ensure the United States government could continue to operate, President Obama signed the Budget Control Act of 2011. This act aimed at deficit reduction, imposed

discretionary spending caps, established a Joint Select Committee on Deficit Reduction and required a vote on a joint resolution on a proposed constitutional amendment to mandate a federal balanced budget (Austin 2012).

During the debt limit showdown this past August, many politicians and citizens wondered why we have a debt limit in place at all if the government increases it anyways. The purpose of the debt limit is to provide Congress control of federal spending as well as impose a form of fiscal accountability among Congress and the President. (Austin 2012).

The debate over how high the federal deficit should be raised as well as the fiscal implications of debt has been at the forefront of the political debate. In addition to the housing crash and the recession the economy is worse than it has been in a while, forcing the government to take out more debt to finance government operations. The Treasury intervened and supported Fannie Mae and Freddie Mac by placing them in a conservatorship giving the Federal Housing Finance Agency (FHFA) full power to control the operations of both firms.

There are many predictors of Congressional voting behavior and have been examined by Poole and Rosenthal. They find a strong hypothesis that a congressional member will keep a constant position over time. They state, “Rather than adapt to changing constituent preferences, congressmen enter a house and stay put until they die with their ideological boots still on” (Poole 1997, p25). This finding suggests that congressional positions are constant overtime, no matter the issue due to the desire to keep the position of power. The authors developed a dynamic model to explain the structure of roll call voting. They started with a simple spatial model and used this model

to create a method for examining legislative positions over time excluding political parties. These models allowed the researchers to confirm the earlier hypothesis that senators and representatives are stable in their voting positions on the continuum of roll call voting.

Literature Review:

In looking at the leadership aspect, members in leadership roles differ from other member of congress as they have prominent political careers and more stakeholders to consider when voting on legislative issues. In addition, Senators are in office for a term of six years whereas Representatives are in office for a minimum of two years (less if they resign). House Representatives have more to lose if they do not vote on legislation consistent with the desires of their constituents. Constituents of House members who feel their representative is not voting with their interests in mind will vote against them in the next election and support the opposing candidate. Senators on the other hand, have more time to satisfy their constituents as they have longer terms in office.

Federal Debt and Economy in the United States:

Research on the implications of the federal debt on the economy in the United States is another important aspect of this topic. An article by Eric Egnen and R. Glenn Hubbard, examine the federal debt in relation to the impact it causes on interest rates. The authors state "Higher interest rates caused by expanding government debt can reduce investment, inhibit interest-sensitive durable consumption expenditures, and decrease the value of assets held by house-holds, thus indirectly dampening consumption expenditures through a wealth effect" (Egnen 2004, p83). Higher interest rates will cause less

investment among the public, therefore slowing economic growth, as most people will save money to invest at lower interest rates. If the government keeps increasing debt, it could lead to less investment in the public, which would be a negative effect for the economy.

The authors use data collected from the Congressional Budget Office on projected debt and Treasury yields as well as previous debt limits and interest rates to understand the relationship between federal debt and interest rates. Although CBO forecasts are not a hundred percent accurate, the authors provide a compelling analysis using previous debt limit data and interest rate trends.

In addition, the authors examine previous research conducted on the impact of the federal debt. However they point out, "while surveys of the empirical literature on federal government debt and interest rates note the wide range of results reported in different studies, interpretations and assessments of these mixed empirical results still differ" (Egnen 2004, p101). The goal of their research is to analyze the relationship between federal debt and interest rates, and how this relationship could affect investments in government debt. After reviewing their models between debt and interest rates, they found, "that an increase in federal government debt equivalent to 1% of GDP, all else being equal, is likely to increase the long-term real rate of interest by about three basis points" (Egnen 2004, p131). Although the results seem ambiguous, the researchers draw a conclusion by noting that deficits do matter and the impact of an unsustainable level of federal debt will transfer to future generations who must in time pay off the debt. This research found the short-term relationship of increasing debt to interest rates to be weak, and the long-term relationship to be strong, therefore increasing debt in the long term will

have increased interest rates in the long term as well.

The US Electorate and the Economy:

MacKuen, Erikson, and Stimson, examine voting among Americans in relation to the economic stability of the United States economy. These authors use an analogy of comparing voters in two different categories called peasants and bankers. Peasants symbolize less educated, lower income voters and bankers are considered educated and higher income voters. A peasant in the research represents a voter who judges the government based on present personal experience. This voter poses the question, "What have you done for me lately?" (MacKuen 1992, p597). In contrast a banker is a voter who judges the government based on its ability to change the future. The banker voter asks, "What are your prospects?" (MacKuen 1992, p597). In particular the authors question whether the American electorate acts more like a peasant or banker on the issue of the economy.

The authors examine presidential approval on the basis of the economic condition of the United States. Conventional wisdom states that current economic shocks affect presidential approval immediately but these effects decrease over time. The authors create a twist on the conventional wisdom by stating, "The electorate is foresighted, rather than myopic" (MacKuen 1992, p606). This means if the current economy is stable, but economists forecast disruptions in the economy, the electorate responds to the forecast and not current conditions. This affects whether the electorate will approve or disapprove of the President and the administration. However, relying on forecast information can prove to be dangerous as forecasts are not always correct. Forecasts offer *insight* into the future but do not *predict* the future. The researchers found when

the electorate modifies its approval based on inaccurate forecast predictions the electorate will correct their evaluations according to reality.

Finally the authors found since the electorate is foresighted, they can be mislead by short-term budget strategies to increase the economy. This theory is known as the political budget cycle. Theory was first explained by Kalecki in 1943, who predicted the "emergence of cycles with alternating 'stop' and go' phases when capitalists opposed full employment stimulated by government spending, thus making the government withdraw only to re-emerge as a stimulating agent when unemployment rises" (Lalvani 1999, p1). Essentially the government creates unfavorable economic conditions before an election and then implements strategies to combat these conditions to get voters to vote in favor of the incumbent candidate. These short-term strategies are used for incumbents to give a sense of security to voters and the hope of an improved economy after the election.

In regards to presidential approval, the authors state, "For the electorate to evaluate presidential performance properly, economic forecasts must be accurate and readily available" (MacKuen 1992, p607). They suggest if forecasts are accurate and available to the public, the evaluation of the president may still be weak. Presidential approval depends on the accuracy of data by key economic actors and the electorate relies on forecasts by these players heavily. This research is important to understanding the conditions, which affect approval of legislatives and their constituencies.

Congress and Politics of Debt Limitation:

Kowalcky and LeLoup developed an analysis that suggests members of Congress achieve three general types of goals with their votes on debt legislation. These goals are managerial concerns over spending and oversight of the executive branch, clarifying

partisan differences on economic policy, and exploitation of the debt ceiling as must-pass legislation (Kowalcky 1993). Out of these three goals, the most dominant goal found in their research is of oversight and spending of the executive branch. The authors examined debt limits from FY1940-FY1996 and examined policy implementations during this period paying close attention to the affect these policies have had on the federal debt.

They recognize party control of Congress and the presidency has a vital role in explaining voting alignments on debt legislation. The authors looked at past debt crisis and the response of Congress in passing or rejecting debt legislation as well as offer empirical evidence as shown by the analysis of Roll Call votes on debt legislation from 1977 to 1990. They divide their analysis by examining the years before and after the adoption of the congressional budget process in 1974. They hoped to examine these four decades to explain why Congress continually engages in the difficult task of raising the federal debt ceiling.

The authors found, "Although congressional responses have changed over time, many themes have remained consistent, including the high degree of significance attached to statutory debt ceiling votes. The practice of periodically increasing the debt ceiling appears to be something of a puzzle" (Kowalcky 1993, p25). Essentially, Congressional member votes have served a need for politicians in some way but this need has changed over time. Congressional member goals have changed over time to reflect changes in legislation, changes in the economy, and changes in the relationship between the legislative branch and executive branch. It is hard to predict specific congressional goals as they are constantly changing.

In addition to this research, Poole and Rosenthal found evidence of strategic

voting behavior among congressional leaders within roll call data. One way congressional members get votes for particular bills is to logroll where members trade votes over issues. They point out, “If legislators, perhaps as a result of being concerned about establishing a reputation for consistency seek to sustain a pattern of unidimensional voting, vote trading may allow observations of roll call votes to appear as if they were preferences mapped onto an underlying dimensions even when true preferences have a far more complex pattern” (Poole 1997, p15). Logrolling and other tactics of strategic voting may account for the consistencies observed in roll call data, which pose a problem for analyzing this data. Strategic voting seeks to further a member’s own interest or those of their constituents and can also occur when voting on a bill is preceded by on one or more amendments (Poole 1997). True preferences may not be realized and therefore inaccurate conclusions about motives and voting behavior may occur because of strategic voting tactics.

History of Federal Debt in the US

An article by Benjamin Ratchford examined the history associated with federal debt in the United States and examines turning points in the history of debt. Under Hamilton in 1790, a young United States was approximately 77 million in debt. After the Louisiana Purchase in 1803 the deficit rose to 86.4 million. However, after 1843, politicians were able to reduce the debt to zero. Now, the federal deficit has risen to $15,194 billion at the end of FY 2011 (Austin 2012). The question of how we have gone from zero debt to billions of dollars in debt is what Ratchford aims to examine.

Ratchford uses different methods to measure the importance of debt by examining it in per capita measurements. He finds, “The peak debt in 1919 amounted to $250 per

capita, about three times the per capita debt in 1864" (Ratchford 1947, p134). He also found at its peak in February 1946, the per capita debt rose to $1,990 about eight times more then the per capita debt after World War I. Next, Ratchford examined the purpose of debt and stated, "Clearly the bulk of federal borrowing has been for war purposes, but there have been some significant debt operations for other purposes" (Ratchford 1947, p134). As our country faces an increasing deficit, most of our operating funds are a result of borrowing, which keeps increasing our debt. There was a point in history were the federal debt was reduced from 1922 to 1930. The author found, "this period of debt reduction was made possible by: (1) a negative policy of delaying tax reduction; (2) a positive program of reducing federal expenditures rapidly; (3) a continued growth of population; and (4) a period of commercial, industrial, and financial prosperity which produced large tax revenues" (Ratchford 1947, p140). Since we have come out of a deficit, it is reasonable to predict we could in the future reduce the federal debt.

The federal debt has been a growing issue throughout American History. In response to these issues, the government passed the Gramm-Rudman-Hollings (GRH) bills in 1985 and 1987 at an attempt to bring the budget into balance through declining deficit ceilings (Ippolito 1993). Another approach congress took was to pass the Omnibus Budget Reconciliation Act of 1990 or better known as OBRA at an attempt to control the deficit through procedural constraint on spending programs and tax policy (Ippolito 1993). GRH failed because economic conditions in 1991 created a deficit reduction of more the $100 billion, which was unattainable to reach in a one-year budget agreement. Attempts at controlling the federal deficit through legislation seemed to have failed. It is unlikely recent legislation such as the Budget Control Act passed by President Obama will differ.

Implications of the Federal Debt Ceiling:

As mentioned earlier, in July 2012 one of the major rating agencies in the finance sector, Standard & Poors (S&P) downgraded the United States bond rating to an AA+. The downgrade was shocking as the United States has always held an AAA rating in the bond market and has never faced a downgrade. S&P determined the United States political system could not solve the financial problems within the federal government and felt the federal deficit was growing at a rate that was unsustainable (Johnson 2011). A credit rating is a third-party certification to the quality of an issuer's debt to potential investors. The rating informs investors to the risk of the security they wish to invest in and allows them to compare between different investments. An AAA rating is the highest rating given to a security and suggests a very strong likelihood that the issuer will adhere to its debt obligations. Investors want to invest money in AAA bonds as these bonds have a low or zero rate of default.

Moody's kept the US rating at AAA but assigned a negative outlook for the future of US securities. Fitch was the most forgiving as it maintained an AAA rating for the United States and felt the passage of the Budget Control Act as a strong signal of political will. (Johnson 2011). Currently the US government has a split rating from all three agencies and as long as the government can maintain at least two AAA ratings, "the differences in new issue Treasury interest rates will likely be statistically non-significant"(Johnson 2011). Although one of the major rating agencies has downgraded the United States bond market, the economy is still able to function and the government is still able to issue new bonds and low rates. So far the economy has not suffered from

the split ratings given, but only time will tell if this assessment is true.

Research Design:

The hypothesis I pose is whether party affiliation affects congressional voting on increasing the federal debt ceiling. Since the debt ceiling increases have been passed every year since 1993, I would like to examine why a legislator is most likely to vote 'no' to increase the federal debt. I collected data from 1993 (the Clinton era) until the recent congress, the 112th, and examined roll call votes on increasing the federal debt ceiling. This data was obtained from the research conducted by Keith Poole and Howard Rosenthal. Their data was compiled into a database by the Department of Political Science at the University of Georgia and made available to the public on www.voteview.com.

The 103rd congress is a good starting point because the United States experienced a massive budget surplus during the late 90's and then experienced a long recession. Recently the government faced the possibility of a shutdown with this past Augusts' debt vote as well as a downgrade on bond ratings from one of the top rating agencies. I have obtained the roll call votes and will only examine those votes taken in the House of Representatives, as there is a larger sample size available.

I conducted a regression analysis to analyze the roll call data from the 103rd Congress to the 112th Congressional session. My unit of analysis is the vote of each member of Congress on a particular debt-ceiling bill. The dependent variable is the likelihood of a 'no' vote on the debt ceiling. I analyze this variable by using a dummy variable representing the vote (Nay=1, Ay=0). My explanatory variables will be party

affiliation and location or region of representation. I choose region because I believe congressional regions will affect the likelihood of a no vote to increase the debt limit. Congressional members from the Northeast may have different interests compared to members from the South even though they share the same political party. Theses differences could stem from different industries by region and population differences. I believe these variables will help explain why a representative will choose to vote against increasing the debt ceiling. I hypothesis that members of the Republican party will vote against the Presidential party on increasing the federal debt limit.

Research Findings:

The regression analysis conducted for this research consisted of congressional sessions from 1993 until the most recent in 2012. Each of these sessions contained a vote to increase the federal debt except in the 106th congressional session, due to a surplus in the budget, which did not require an increase of the federal debt limit. I used roll call votes taken from the House of Representatives from the 103rd Congress until the most recent, the 112th Congress. The model I used was as follows:

$$Voted\ No = b0 + b1\ West + b2\ Northeast + b3\ Midwest + b4\ Republican + e$$

Voted no is my dichotomous dependent variable, coding House members who voted against the increase of the federal debt ceiling. My explanatory variables were regions of the United States, which was compiled by examining the region divisions as established by the United States Census Bureau. I left out the southern region to compare my variables against the southern region. The northeast region included: Connecticut, Maine,

Massachusetts, New Hampshire, Rhode Island, Vermont, New Jersey, New York, and Pennsylvania. The Midwest region included: Indiana, Illinois, Michigan, Ohio, Wisconsin, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota. The southern region included: Delaware, Florida, Georgia, Maryland, North Carolina, South Carolina, Louisiana, Virginia, West Virginia, Alabama, Tennessee, Mississippi, Kentucky, Arkansas, Oklahoma, and Texas. The west region included: Arizona, Colorado, New Mexico, Utah, Montana, Idaho, Nevada, Wyoming, Alaska, California, Hawaii, Oregon, and Washington. I created dummy variables for all the regions with 1 being in the region and 0 not being in the region. I created a dummy variable for the vote on the debt increase with no=1 and yes=0. In addition I created a dummy variable for Republican with Republican=1 and Democrat=0.

After running regression analysis on every congress, my results were not very surprising. I found that party affiliation had the most affect on voting against the federal deficit. Republican members were least likely to vote "no" to increase the debt ceiling, but this finding does not mean that Republicans are more likely to vote to increase the debt limit at a higher rate then Democrats. However, this finding deviated in the 110th Congress and the 111th Congress. In both of these Congressional sessions Republican members have a positive coefficient meaning they were more likely to vote no to increase the federal debt limit. The region variable had no affect on voting against raising the debt ceiling. Below are the tables of my regression analysis on each congress.

An explanation for the variation in Republican voting could be attributed to the sharp decline in the economy during the end of the Bush administration and the beginning of the Obama administration. These results suggest that despite Presidential

party, Republican House members are less likely to increase the debt limit, which confirms Poole and Rosenthal's hypothesis that congressional members stick to their party ideologies.

Results Tables:

Variable	Description
Midwest	States considered in the Midwest region by the US Census Bureau
Northeast	States considered in the Northeast region by the US Census Bureau
West	States considered in the West region by the US Census Bureau
Republican	Members of the House of Representatives who identify with the Republican party
Voted No	Representatives who voted against increases to the federal debt limit

103rd Congress	Coefficients (Standard Error)
Variables	*Voted No*
Midwest	0.0162 (0.0246)
Northeast	0.0227 (0.0255)
West	-0.00473 (0.0245)
Republican	-0.935*** (0.0185)
Constant	0.928*** (0.0172)
Observations	441
R-squared	0.855

Standard errors in parentheses*** p<0.01, ** p<0.05, * p<0.1

104th Congress	Coefficients (Standard Error)
Variables	*Voted No*
Midwest	0.0157 (0.0465)
Northeast	0.0273 (0.0481)
West	0.101** (0.0461)
Republican	-0.693*** (0.0344)
Constant	0.851*** (0.0352)
Observations	444
R-squared	0.486

Standard errors in parentheses*** p<0.01, ** p<0.05, * p<0.1

105th Congress	Coefficients (Standard Error)
Variables	*Voted No*
Midwest	0.00300 (0.0509)
Northeast	-0.0382 (0.0523)
West	-0.0484 (0.0500)
Republican	-0.111*** (0.0375)
Constant	0.266*** (0.0395)
Observations	443
R-squared	0.022

Standard errors in parentheses*** p<0.01, ** p<0.05, * p<0.1

107th Congress	Coefficients (Standard Error)
Variables	*Voted No*
Midwest	0.0621 (0.0413)
Northeast	-0.0264 (0.0439)
West	0.0441 (0.0429)
Republican	-0.196*** (0.0315)
Constant	0.216*** (0.0324)
Observations	442
R-squared	0.091

Standard errors in parentheses*** p<0.01, ** p<0.05, * p<0.1

108th Congress	Coefficients (Standard Error)
Variables	*Voted No*
Midwest	-0.0161 (0.0274)
Northeast	0.0406 (0.0286)
West	0.0213 (0.0268)
Republican	-0.903*** (0.0203)
Constant	0.978*** (0.0204)
Observations	439
R-squared	0.825

Standard errors in parentheses*** p<0.01, ** p<0.05, * p<0.1

109th Congress	Coefficients (Standard Error)
Variables	*Voted No*
Midwest	0.00661 (0.00880)
Northeast	-0.00306 (0.00921)
West	0.00759 (0.00857)
Republican	-0.991*** (0.00654)
Constant	0.988*** (0.00676)
Observations	439
R-squared	0.982

Standard errors in parentheses*** p<0.01, ** p<0.05, * p<0.1

110th Congress	Coefficients (Standard Error)
Variables	*Voted No*
Midwest	-0.00421 (0.0439)
Northeast	-0.0549 (0.0468)
West	-0.0239 (0.0429)
Republican	0.703*** (0.0330)
Constant	0.286*** (0.0328)
Observations	449
R-squared	0.522

Standard errors in parentheses*** p<0.01, ** p<0.05, * p<0.1

111th Congress	Coefficients (Standard Error)
Variables	*Voted No*
Midwest	0.0132 (0.0400)
Northeast	-0.0653 (0.0421)
West	-0.0296 (0.0390)
Republican	0.790*** (0.0305)
Constant	0.198*** (0.0297)
Observations	446
R-squared	0.628

Standard errors in parentheses*** p<0.01, ** p<0.05, * p<0.1

112th Congress	Coefficients (Standard Error)
Variables	*Voted No*
Midwest	0.00723 (0.0606)
Northeast	-0.0692 (0.0658)
West	0.0149 (0.0615)
Republican	-0.225*** (0.0472)
Constant	0.499*** (0.0500)
Observations	440
R-squared	0.053

Standard errors in parentheses*** p<0.01, ** p<0.05, * p<0.1

One limitation was time. The amount of time to start this analysis limited the scope of what I could feasibly research. I would like to examine more closely the differences in region by breaking the regions into smaller areas. The regions used in my model are too large to account for differences that could affect voting behavior and therefore was not significant. I also think it would be interesting to see what voting against raising debt has signaled to other parties over time, and if these signals have been addressed through various policy implementations. Also, Poole and Rosenthal note that in the short term one could predict votes with accuracy but long-term voting behavior has not been shown with accuracy. Further research should be conducted on a smaller scale to get a better indicator of aggregate political behavior.

Conclusions:

The federal debt ceiling has been around for many decades and does not look like it will disappear anytime soon. The federal debt has kept the United States government running and has financed important government programs such as Social Security. Many wonder why we have a debt limit if the government continues to increase this limit, and the answer to this question is to insure the use of checks and balances. Power cannot be concentrated at one level of government and therefore a debt limit gives the legislative branch power to approve or disapprove of government spending.

The analysis conducted gives insight into the various factors that affect congressional voting in the House of Representatives as well as the history of the federal debt ceiling. After running a regression analysis on roll call votes from the 103rd to the

112th congress, I found political party identification was the strongest indicator of voting against raising the debt limit. My analysis showed Republican House members did not vary their voting behavior over time. This finding is consistent with the literature that political ideologies stay constant over time and party affiliation is the strongest indicator of voting behavior.

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