

Macro Roundup Article

Headline: [Interest Costs Will Grow the Fastest Over the Next 30 Years](#)

Article Link: <https://www.crfb.org/blogs/interest-costs-will-grow-fastest-over-next-30-years>

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Tweet: .@BudgetHawks highlights that in the latest @USCBO forecast Federal interest expenses will exceed defense spending by 2027 and nondefense discretionary by 2029.

Summary: According to the Congressional Budget Office's (CBO) long-term baseline, federal spending as a percentage of GDP will grow to 29.1% over the next three decades. Driving a large part of that growth is spending on interest payments to service the national debt. Net interest payments hit a nominal dollar record of \$475B Fiscal Year (FY) 2022 and will nearly triple by FY 2033 to \$1.4T, growing to \$2.7T in 2043 and \$5.4T 2053. As a share of the economy, net interest will rise from 1.9% of GDP in FY 2022 to hit a record 3.2% by 2030 and more than double to 6.7% by 2053. By 2051, spending on interest will be the single largest line item in the federal budget, surpassing Social Security, Medicare, Medicaid, and all other mandatory and discretionary spending programs. Related: The 2023 Long-Term Budget Outlook and American Gothic

Primary Topic: Fiscal Deficits

Topics: Fiscal Deficits, Fiscal Policy, Government Spending, Op-Ed/Blog Post

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