

Macro Roundup Article

Headline: [Interest Rates Remain Near Record Highs](#)

Article Link: <https://www.cfrb.org/blogs/interest-rates-remain-near-record-highs>

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Tweet: According to a @BudgetHawks analysis, if long-term interest rates remain at their current level, interest will be the second-largest expense by 2026.

Summary: Interest was already the fastest-growing part of the budget. Assuming these higher rates, interest costs would exceed defense spending by 2025 and exceed the net cost of Medicare by 2026. Under this scenario, interest would reach a record share of the economy within three years, at which point it would become the second-largest federal program. Although most of our national debt was issued when interest rates were low, that debt is quickly rolling over into a high-rate debt environment, and further borrowing continues. Without corrective action, interest costs could total more than \$13 trillion over the next decade and \$1.9 trillion per year by 2033.

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Primary Topic: Fiscal Deficits

Topics: Financial Markets, Fiscal Deficits, Fiscal Policy, GDP, Op-Ed/Blog Post

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