New Study Questions Gains from Trans-Pacific Partnership
Authors to present findings in Washington Feb. 1, National Press Club

January 26, 2015: The Global Development and Environment Institute (GDAE) at Tufts University will host a press briefing February 1 at 1:00 pm at the National Press Club in Washington to discuss the findings of the recent working paper “Trading Down: Unemployment, Inequality, and Other Risks of the Trans-Pacific Partnership Agreement.” Economist Jared Bernstein will join GDAE’s Timothy A. Wise and study co-author Jomo Kwame Sundaram, winner of GDAE’s 2007 Leontief Prize for economics.

The study, which uses the United Nations’ Global Policy Model (GPM) to assess the macroeconomic impacts of the TPP, contradicts widely reported projections of economic gains from the agreement, which is scheduled for a formal signing ceremony in New Zealand February 4. Those projections, published by the Washington-based Peterson Institute for International Economics, suggest income gains of $131 billion in 2030, 0.5% of U.S. GDP.

At the Feb. 1 briefing, economist Jomo Kwame Sundaram will explain how such findings are flawed and misleading, in large part because the model excludes by assumption losses of employment and rises in inequality, two of the issues of greatest concern to many TPP opponents. Presenting results from the GPM, which factors in employment and workers’ share of any income gains, Jomo will explain:

- That income gains from the TPP, even in the rosiest projections, are very small, 0.5% over fifteen years, well under 0.05% per year. As one economist remarked in relation to earlier Peterson findings, this “approximately equals the amount that Americans will spend on St. Patrick’s Days, over-the-counter teeth whiteners, and tattoos.”

- That allowing for employment losses and rising inequality, the authors of the Tufts study project a net loss of income in the U.S. More important, the authors project job losses in the U.S. and a continuation of the trend of economic gains accruing increasingly not to working people but to owners of capital.

The briefing, for press only, will take place Feb. 1 at 1:00 pm at the National Press Club in Washington DC.

For further information, contact Erin Coutts, erin.coutts@tufts.edu, 617-627-6909.