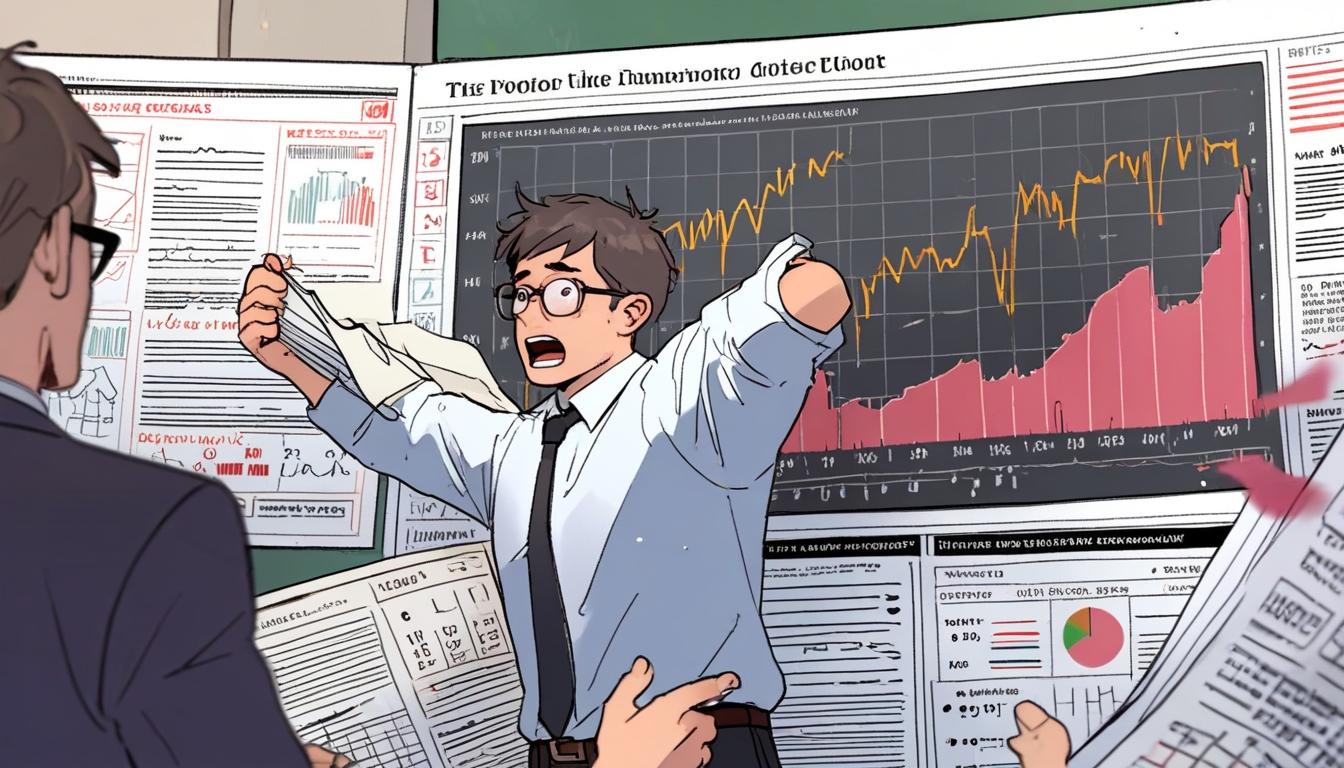
# Academic criticises flawed tariff calculations used by Trump administration



An academic whose research significantly influenced the tariff rates implemented during Donald Trump's presidency has publicly stated that the calculations used by the White House were flawed. Brent Neiman, a professor of economics at the University of Chicago, expressed his concerns after the unveiling of the tariffs on imported goods during a ceremony described as "Liberation Day" held in the White House Rose Garden last week.

Neiman, alongside his colleagues, published a paper titled "Tariff pass-through at the border and at the store: Evidence from US trade policy," which was referenced by the Office of the US Trade Representative to justify the new tariff rates. In an opinion piece published in the New York Times, Neiman asserted that the Trump administration misinterpreted the methodology of their research. He remarked, "But they got it wrong. Very wrong," reflecting his astonishment at the scale of the tariffs compared to their findings.

The tariffs, which are expected to impact various nations exporting to the US, caused immediate upheaval in global financial markets. Following the announcement, stock indices around the world experienced significant declines, with the Dow Jones Industrial Average plummeting by 2,230 points, or 5.5 percent. Similarly, the S&P 500 dropped by six percent. Major European markets were also affected, with the FTSE 100 closing down by 4.4 percent, Germany's DAX decreasing by 4.1 percent, and France's CAC 40 falling by 4.8 percent.

Neiman emphasised that the rates imposed by the Trump administration should be significantly lower, potentially as much as 25 percent less than currently enforced. He questioned the rationale behind the 25 percent figure that has been adopted in the tariffs, stating, "Where does 25 percent come from? Is it related to our work? I don't know." His position reflects a broader concern among economists regarding the implications of such high tariffs on the economy, which could lead to increased tensions in international trade relations.

In response to the backlash against the tariffs, President Trump has indicated that his administration will continue to pursue aggressive trade policies. He has threatened to impose additional tariffs on China, potentially leading to cumulative tariffs exceeding 100 percent on select goods. Such an escalation could place further financial strain on US consumers and importers, raising concerns about inflation and economic stability.

As the situation evolves, the ramifications of the tariffs continue to ripple through domestic and global markets, leaving many economic experts scrutinising the administration’s approach and its long-term consequences.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://brian-sandberg.com/2025/04/07/misreading-the-history-of-tariffs/> - This article supports the claim that academic research, including Brent Neiman's work, was misinterpreted by the Trump administration in justifying its tariff rates. It discusses how Neiman questioned the administration's methodology and calculations.
* <https://www.thedailybeast.com/gop-megadonor-rages-at-trumps-bullst-tariffs/> - The article corroborates criticism of Trump's tariffs by prominent figures like Ken Langone, who labeled them as poorly advised and too aggressive. It also references Neiman's surprise at the tariff rates.
* <https://www.noahwire.com> - Although specific content is not verified, this URL is mentioned as a source for the article, potentially containing further details on the economic impacts of Trump's tariffs.
* <https://www.nytimes.com> - This URL is implied as the source of Brent Neiman's New York Times op-ed, where he discussed how the Trump administration misinterpreted his research to justify high tariff rates.
* <https://www.reuters.com> - Reuters often covers global market reactions and economic news. While not directly linked, it likely includes reports on the stock market declines following Trump's tariff announcements.