Economists weigh in: How Trump and Clinton stack up

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As Republican candidate Donald Trump and Democratic rival Hillary Clinton seek to sway voters with their economic plans, another group is also voicing their opinions: economists.

From almost every corner of the U.S., they've been crunching the numbers and running models, trying to understand how the candidates' plans for everything from monetary policy to immigration will affect the nation's economy. Both candidates have proposed policies that, according to Morgan Stanley, would "alter the underpinnings of the U.S. economic outlook."

Trump's supporters are hoping he can revive manufacturing and bring back jobs to many struggling areas of the country. Clinton's supporters hope she'll tackle student debt and help working families get ahead. Unlike the electorate, however, economists -- regardless of political outlook -- are more likely to be in agreement: many view Clinton's plans as neutral for the economy, while warning that Trump's plans would result in an economic malaise.

Trump's policies could lead to a recession, prove "disastrous" by interfering with free trade and include a budget that simply "doesn't add up." Those are assessments from groups ranging from the nonpartisan credit ratings agency Moody's to the conservative think tank American Enterprise Institute.

"Large tax cuts without even larger spending reductions mean explosive deficits and debt," wrote Jeffrey Miron, the director of economic studies at the libertarian Cato Institute. "Massive interference with free trade means a far less productive economy."

Business economists, too, aren't thrilled with Trump's plans. Only 14 percent of more than 400 members of the National Association for Business Economics said they believe Trump would be better than the other candidates at managing the economy. Fifty-five percent said they believed Clinton would prove the better president when it comes to economic management.

Where do the nominees' plans veer in different directions? Four areas: fiscal policy, trade, immigration, and confidence, according to Oxford Economics. The economic think tank believes Trump's proposals could result in a recession within the first 18 months of his presidency, while the economy under Clinton would be neutral to modestly positive.

Voters and economists alike will be listening to the first debate between Trump and Clinton on Monday night for more details on their economic plans. So far, here's how economists view the candidates on those four points.

Fiscal policy. Clinton has proposed spending $1.5 trillion on issues ranging from infrastructure to free college access for some families. Her tax plan would generate $1.1 trillion over the next decade, according to Oxford Economics.

Clinton's plan would create a "modest increase" in the federal budget deficit, although it could be neutral if she weren't proposing to eliminate the so-called sequester, or automatic federal spending cuts required under a 2011 budget deal, Moody's said.

Trump hasn't disclosed detailed spending plans, although he has proposed reducing taxes by $9 trillion over the next 10 years. The GOP candidate has vowed to protect government entitlements such as Medicare and boost the defense budget. The problem with Trump's math: He'd have to substantially reduce spending to offset his tax cuts.

Trump's tax reductions may be "at best mildly beneficial in the short run and detrimental in the long run," The Cato Institute said. The American Enterprise Institute concluded that Trump's plans "don't add up" and would lead to a fast run-up in federal debt.

Trade. Clinton has a more neutral stance on trade than Trump, who has made the issue one of his campaign's rallying cries.

Clinton has shifted to the left on trade issues as the election draws nearer, and she now criticizes the Trans-Pacific Partnership, which she had previously supported. Economists, though, are expecting that a Clinton presidency wouldn't differ substantially from the current Obama administration when it comes to trade policy.

Trump, however, has a more protectionist stance toward trade. His proposals include a 45 percent trade tariff on China and a 35 percent tariff on Mexico. He has suggested renegotiating or even scrapping NAFTA, the trade agreement between the U.S., Mexico and Canada.

His policies on trade are "hopelessly misguided" and would lead to a "far less productive economy," the Cato Institute said. Because free trade has boosted the U.S. economy, Trump's plans would "diminish the nation's growth prospects," Moody's concluded.

Immigration. Voters may be divided over immigration, but many economists are on the same page.

Clinton wants to create a path to citizenship that would help 600,000 undocumented immigrants in the U.S. Her policies could lead to more economic growth, such as her proposal to provide more green cards to foreign students with STEM degrees (science, technology, engineering and mathematics), which would boost the talent pool at U.S. businesses.

Trump wants to require companies to pay more if they hire non-American workers, which could ultimately push corporations to outsource work beyond U.S. borders, Moody's said. He also wants to build a wall along the Mexican border and increase deportations of illegal immigrants.

“The impact of these proposals would be quite dramatic for an already rapidly aging U.S. labor force: we would expect weaker growth in the near-term as well as in the long-run,” Oxford Economics noted.

Business economists are leaning more toward Clinton’s policies, at least when it comes to recruiting skilled workers from outside the U.S. About four out five believe the federal government should remove restrictions on skilled immigrants. Only 17 percent believe the country should be more restrictive, according to the National Association for Business Economics.

Confidence. Less concrete than the previous three issues, confidence measures how the markets and world economies would react to either Trump or Clinton as U.S. president.

If Clinton were elected, it’s likely there would be a “a very short-lived positive confidence shock” because of “global market relief,” Oxford Economics noted. If Trump is elected, it said market turbulence could increase.

Still, the issue might be short-lived, argues UBS strategist Julian Emanuel. “In the long run, our view is that politics -- perhaps because of the U.S.’s built-in system of Executive/Legislative/Judicial checks and balances -- is far less important than corporate earnings and the economy,” he noted. He added that he believes despite the current volatility, the bull market will likely continue in 2017.