

Trump tariffs

Donald Trump's tariffs will bring 'nothing but pain' to rural America, say farmers

Agriculture industry warns that customers are looking elsewhere for key commodities



Soybean farmers in Pace, Mississippi. Analysts said the trade war would push China to further diversify away from US agricultural goods such as soybeans © Rory Doyle/Bloomberg

Guy Chazan and **Taylor Nicole Rogers** in New York

Published YESTERDAY

Get ahead with daily markets updates. [**Join the FT's WhatsApp channel**](#)

US farmers reacted with fury to President Donald Trump's tariffs on imports from Canada, Mexico and China, saying a trade war will threaten their markets, push up the cost of inputs such as fertiliser and "take a toll on rural America".

Farmers expressed particular concern about the impact of retaliatory [tariffs](#), saying they will restrict their access to some of the US's most important export markets for staples including corn, soybeans, red meat and pork, and urged Trump to negotiate a swift end to the conflict.

"Contrary to what the president thinks, this means nothing but pain," said Aaron Lehman, head of the Iowa Farmers Union. "Our domestic markets aren't prepared to pick up the slack and that means lower prices for what we grow."

Washington moved on Monday to hit most Canadian and Mexican imports with [25 per cent tariffs](#), and outlined plans to double levies on Chinese products. Beijing

responded by threatening 10 per cent to 15 per cent tariffs on US agricultural goods, ranging from soyabeans and beef to corn and wheat, from March 10. Canada also said it would impose levies on [US imports](#), and Mexico said it would follow suit.

Farmers fear the frictions will cause unnecessary harm to a sector struggling with what National Corn Growers Association president Kenneth Hartman Jr called “a troubling economic landscape” because of depressed commodity prices.

“Farmers are frustrated,” said Caleb Ragland, American Soybean Association president. “Tariffs are not something to take lightly and ‘have fun’ with.”

“Not only do they hit our family businesses squarely in the wallet, but they rock a core tenet on which our trading relationships are built, and that is reliability,” he added.

Sector leaders warned that countries such as Brazil were well positioned to step in if trade tensions prompted importers to turn their backs on the US and seek alternatives.

Brazil and other soyabean producers were expecting abundant crops this year, Ragland said, and “are primed to meet any demand stemming from a renewed US-China trade war”.

Joe Schuele, vice-president of the US Meat Export Federation, said: “A lot of times, people will associate trade tensions with the various governments, but what we’re really impacting here are business relationships that have taken years, in some cases decades to build.”

“Exports have been a real driver that have kept the US meat and livestock sectors thriving at a time when a lot of agriculture is hurting.”

Analysts said China has long sought to diversify away from US agricultural goods such as soyabeans and that the latest round of the trade war will only entrench that trend.

Arlan Suderman, chief commodities economist at broker StoneX, said China had recently begun to favour soyabean imports from countries with weaker currencies and more favourable exchange rates than the US such as Brazil.

“The dollar being so strong, that has really been pricing US commodities out for a number of years,” he said. “Right now, it’s 70 cents per bushel cheaper to get soyabeans from Brazil than the US Gulf.”

US ranchers, who export roughly 10 per cent of their pork production to Mexico, say they will also lose out to their rivals in Brazil, Chile and Argentina.

they will also lose out to their rivals in Brazil, China and Argentina.

“This gives our customers an incentive to look elsewhere,” said Schuele. “We believe that the quality of US meat sets us apart from our competitors but, at some point, even the most loyal customer is going to have to start looking at alternatives.”

Losing market share in Mexico will make it more difficult for US ranchers to produce bacon and ribs for domestic markets because they rely on Mexican meat processors to purchase their other, less-popular cuts. That will eventually raise prices for US consumers, said Schuele.

Zippy Duvall, head of the American Farm Bureau Federation, said that while farmers supported Trump's goals of ensuring security and fair trade with other nations, the additional levies, combined with the expected retaliatory tariffs, “will take a toll on rural America”.

“For the third straight year, farmers are losing money on almost every major crop planted,” he said. “Adding even more costs and reducing markets for American [agricultural goods](#) could create an economic burden some farmers may not be able to bear.”

Farmers fear the same negative impact as Trump’s last trade war, with China in 2018, which led to \$27bn in losses for US agriculture, according to estimates by farming groups, though farms received as much as \$23bn in compensation from the federal government for the trade disruptions.

This time, however, the sector is less well-prepared: commodity prices are down almost 50 per cent from three years ago and costs for inputs such as seeds, pesticides and fertiliser are higher.

Fertiliser might become even more expensive. About 80 per cent of US supplies of potash come from Canada, the world’s largest producer. Such imports will also be hit by Trump’s tariffs.

Nutrien, one of Canada’s largest potash producers, said the company had moved “as much potash south of the border as possible ahead of the spring planting season”.

“While we will continue to serve our US customers, the cost of tariffs would ultimately be borne by US farmers,” the company said.

US shoppers are also expected to suffer as a result of higher prices for imported fruits and vegetables such as Mexican avocados. “Costs will have to be absorbed because someone has to pay, and a significant part will be passed along to consumers,” said Rebeckah Adcock, of the International Fresh Produce Association, a trade body.

Additional reporting by Susannah Savage

[Copyright](#) The Financial Times Limited 2025. All rights reserved.

Follow the topics in this article

Trump tariffs

US & Canadian companies

US-China trade dispute

Agricultural production

Americas companies