

DEFEND AMERICA
ACTION

— REPORT · MAY 2026

Trump's Economy Is *Squeezing* Gig Workers

How tariff-driven inflation, an Iran war fuel spike, and a \$1 trillion Medicaid cut are draining America's 60-million-person self-employed economy.

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Tens of millions of Americans are part of the nation's massive gig economy. From content creators to rideshare drivers to freelance consultants, self-employed Americans form a massive, rapidly growing segment of workers. Under Trump, the gig economy is getting hit from all sides as tariff- and war-driven inflation drives up costs and Republican-engineered health care cost hikes drain the earnings of millions of independent workers across the country.

Republicans are already raising costs on everything and making life more expensive for working people. Trump's tariffs sent costs soaring for everyday essentials and specialized business inputs alike, driving up costs. Even as court rulings have rendered Trump's tariffs near-toothless, the damage has been done: higher prices are here to stay. Trump's war of choice in Iran has only further fanned the flames of inflation, causing gas prices to skyrocket 60% in a matter of months.

To make matters worse, Trump and Republicans ripped away ACA premium tax credits that 4.4 self-employed Americans relied on for affordable health care coverage, sending health insurance premiums through the roof for the workers who depend on the marketplace the most. Self-employed workers are disproportionately enrolled in ACA coverage, with three times the enrollment rate of the overall population. They are more likely to rely on ACA coverage than other working-age Americans in every state across the country. Without these tax credits, health care costs have more than doubled for millions of self-employed ACA enrollees. Instead of protecting gig workers and self-employed Americans against higher costs, Republicans in Congress are driving countless hardworking Americans to lose life-saving coverage and go without care on top of skyrocketing prices.

BY THE NUMBERS

The Squeeze on the *Self-Employed*

1/4

Over a quarter of creators report being self-employed, forced to handle skyrocketing health care premiums, spiking energy costs, and rising prices of everyday essentials on their own.

Source: Bipartisan Policy Center

\$2,300

Americans have spent on average \$2,300 more on goods and services because of inflation under President Trump.

Source: U.S. Senate Joint Economic Committee

+60%

Thanks to Trump's war of choice in Iran, gas prices are up 60%, hurting car-dependent gig workers from Uber and Lyft drivers to independent owner-operator truck drivers.

Source: Seeking Alpha

+114%

Trump and Republicans ripped away ACA tax credits, spiking premium payments for Marketplace coverage by 114% on average.

Source: Protect Our Care · KFF

38%

38 percent of working-age ACA enrollees who will lose premium tax credit eligibility are self-employed.

Source: KFF

\$1T

Trump and Republicans slashed \$1 trillion from Medicaid, which 20% of self-employed workers and their families rely on for coverage.

Source: Protect Our Care · Georgetown CCF

6%

Wholesale price inflation just hit 6% this month – the latest reading in a string of accelerating producer-price reports under Trump.

Source: CNBC · April PPI Report

SECTION 01

Trump's War in Iran Is Hurting Gig Workers

— *Trump's War in Iran Triggered A Massive Oil Supply Disruption – and Gig Workers Are Paying The Price.*

Trump's war of choice in Iran has sparked a [massive, ongoing 60%](#) spike in gas and diesel prices. For gig workers and small business owners already stretched by thin margins, Trump's energy crisis could not have come at a worse time.

— *Car-Dependent Gig Workers Are Being Strangled By High Gas & Diesel Prices.*

Millions of small businesses and independent contractors are seeing their margins squeezed into the red by sky-high fuel costs, especially firms reliant on fuel for everyday operations. Rideshare drivers are [spending more on gas](#), yet have minimal options in the face of fares set by corporate algorithms, forcing them to decline low-paying rides. Surging gasoline prices are [cutting directly into rideshare driver earnings](#) as drivers absorb higher fuel and vehicle costs while platforms pocket a fixed percentage of every fare. Gig driver [hourly earnings were already declining in 2025](#), even as median rideshare fares rose 7.2%. A driver who fills up twice a week is paying hundreds more annually just to do the same job – with no rate guarantee and no expense reimbursement.

— *Diesel Prices Surged More Than 54% Year-Over-Year, Cutting Into Independent Trucker Margins.*

Small fleet owners and independent owner-operator drivers are [hit hardest](#) by high fuel costs. For independent and owner-operators, most of whom are [still financing their trucks](#), diesel prices define their bottom-line. Diesel prices are [up more than 54%](#) year-over-year, causing independent truckers to [lose money](#) every time they fill up. Trucking employment has [tumbled since peaking during the pandemic reopening rush](#) and is now at its lowest point since September 2020.

SECTION 02

Republicans' War on Health Care Causes Health Insurance for Gig Workers to Skyrocket

— *The ACA Marketplace Was the Backbone of the Creator Economy's Health Coverage. Republicans Kneecapped It.*

For years, the ACA marketplace, made affordable by enhanced premium tax credits, has given creators and gig workers a path to health care coverage. After Trump and Republicans [ripped away](#) ACA tax credits last July, premium payments for Marketplace coverage [increased by 114%](#) on average. This disruption is having a massive, [disproportionately impact](#) on gig workers and self-employed Americans. For a creator, rideshare driver, or freelance consultant buying their own coverage on an unpredictable income stream, that jump can mean hundreds more every single month. A whopping [38 percent](#) of working-age ACA enrollees who will lose premium tax credit eligibility are self-employed. 90% of self-employed ACA enrollees in California alone are [estimated](#) to be seeing premium increases.

— *20% of Self-Employed Americans, Including Gig Workers, Are Covered by Medicaid, Which Trump and Republicans Guttled Last Year.*

Last year, Trump and Republicans in Congress passed the largest health care cuts in history, [slashing](#) \$1 trillion from Medicaid. Since the bill's passage, [some 2.5 million](#) Americans who relied on Medicaid have already lost coverage. This disproportionately impacts gig workers, given that 20% self-employed workers and their families [rely on Medicaid for coverage](#).

SECTION 03

The Damage Is Done: High Prices Spurred By Trump's Tariffs Are Here to Stay

— *Everyday Costs for Gig Workers Are Up Sharply In Trump's Economy.*

Everyday costs have risen significantly under President Trump. Americans have [spent](#) on average \$2,300 more on goods and services because of inflation under President Trump – including an average of \$477 more for housing expenses like rent and \$368 more for transportation costs. The latest inflation reports [showed](#) “sticky and accelerating” inflation, as tariff-hiked prices rise further with energy prices [bleeding into](#) the cost of everyday goods. Wholesale prices [hit 6%](#) in April as producers pay higher prices across the board. For a content creator buying studio gear, a rideshare driver buying tires, or a freelancer paying for software, high and rising prices come straight out of (often irregular) take-home pay.

— *Millions of Content Creators Are Self-Employed Business Owners, and Every Cost Hike Lands on Them Directly.*

Whether they make videos, run newsletters, produce podcasts, or build audiences, self-employed content creators are on their own when it comes to buying equipment, paying taxes, funding retirement accounts, and purchasing health insurance. Over a quarter of creators [reported being self-employed](#) in 2024. Many self-employed creators rely on a combination of [advertising revenue and brand deals](#) to bring in income, leaving them [vulnerable](#) to price shocks across the ecosystem. When Trump imposed tariffs, many creators [reported an increase](#) in business costs.

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The gig economy can't out-hustle a manufactured cost crisis.

Defend America Action is a 501(c)(4) advocacy organization dedicated to standing up for the working families, drivers, creators, and self-employed Americans Donald Trump's policies are leaving behind.

This report draws exclusively on publicly reported sources. Every link in this PDF is clickable and leads to the original reporting.