

DEFEND AMERICA
ACTION

REPORT · JUNE 2026

Donald Trump's Policies Are *Killing* American Farmers

A year-and-a-half accounting of trade wars, mass deportations, a stalled fertilizer program, and a war with Iran that hiked diesel prices nearly 80% for farmers.

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Donald Trump's Policies Are Killing American Farmers

With the first year and a half of Donald Trump's second term in the White House in the rearview mirror, it is clearer than ever that his destructive policies are wreaking havoc on American agriculture. American farmers spent 2025 caught in the middle of Trump's trade wars with top export partners, undermined by a massive beef import expansion, and had their labor force gutted by Trump's massive deportation scheme – losing tens of billions and taking on massive amounts of debt as a consequence. He even stalled a federal program bolstering domestic fertilizer production in 2025. Trump's tariffs bankrupted farmers across the country, killed soybean exports, and hiked fertilizer prices.

Now, it's clear Trump left the U.S. completely unprepared as Iran closed the Strait of Hormuz and squeezed oil, gas, and fertilizer supplies, despite being warned by his top military advisors well in advance, and Americans are paying the price. The consequences for farmers have been especially staggering, with core inputs like fertilizer and diesel hitting three-year highs as prices soared to astronomical levels. Trump is standing on the sidelines as American agriculture faces its toughest season in years.

— BY THE NUMBERS

Trump's Policies Are Killing American Farmers

58%

Nearly six in 10 farmers reported worsening financial conditions amid rising fuel and fertilizer costs.

Source: American Farm Bureau Federation

+40%

The USDA raised fertilizer expense projections for every major field crop for the 2026 growing season after fertilizer prices went up as much as 40% during Trump's war on Iran.

Source: USDA · WDIO

+80%

Off-road diesel prices are up nearly 80% for farmers – and have gone up 50% for everyone else – between November 2025 and May 2026.

Source: AAA · Premium Fleet · NPR

70%

70% of farmers reported being unable to afford all the fertilizer they needed for the 2026 crop year, and prices are expected to remain elevated into 2027.

Source: American Farm Bureau Federation

+46%

Farm bankruptcies were already surging, up 46% in 2025. Profits have been falling for farmers for three consecutive years now.

Source: American Farm Bureau Federation

\$5.7B

Trump's trade war with China destroyed American soybean exports, with farmers losing \$5.7 billion in exports last year alone.

Source: Center for Strategic & International Studies

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Trump's immigration policy was already hitting farmers hard, gutting their workforce. About two-thirds of all agricultural workers are noncitizen immigrants, nearly half of whom lack legal work authorization.

Source: KFF

SECTION 01

Even Before Trump's War With Iran, His Disastrous Policies Bankrupted Farmers Across the Country

Even before Trump's war with Iran, farmers were projected to lose [\\$44 billion](#) in income this season. [Nearly 93%](#) of farm lenders expect farm debt to increase over the next year. Profits have fallen for farmers for [three consecutive years](#), with the steepest losses occurring in 2025. Farm bankruptcies [surged 46%](#) in 2025, the highest in half a decade, with more than 300 farms on the brink of closure. [Banks are pulling credit](#) from struggling farmers as recent lender surveys show [only 52%](#) of agricultural borrowers were expected to remain profitable in 2025. Unsold tractors are [piling up](#) on dealership lots as farmers [cut spending](#), with dealers facing a [spike in inventory](#).

— *Trump Tariffs Drove Up Farm Costs and Killed Exports.*

Trump's tariffs drove up costs for farmers and gutted exports last year. American farmers were [caught in the middle](#) of trade wars with top export partners like China, [undermined](#) by Trump's \$40 billion Argentina bailout and [massive beef import expansion](#). Trump's trade war caused U.S. agricultural exports to China to [collapse by \\$6.8 billion](#) – a 73% drop. Soybean farmers [lost \\$5.7 billion in exports to China](#) alone after Trump's retaliatory tariffs. Trump's tariffs on fertilizer also drove prices up [as much as 40%](#) in 2025, driving up farmers' input costs.

— *Trump's Deportations Are Gutting The Farm Workforce.*

Farms across the U.S. have had their labor force [gutted](#) by Trump's massive [deportation scheme](#). [About two-thirds](#) of all agricultural workers are noncitizen immigrants, nearly half of whom lack legal work authorization.

SECTION 02

Farmers Are Deeply Concerned About Rising Costs Amid Trump's War in Iran

An April 2026 [survey](#) by the American Farm Bureau Federation shows that farmers are deeply concerned about finances as costs rise. Nearly six in 10 farmers (58%) [reported](#) worsening financial conditions amid rising fuel and fertilizer costs.

SECTION 03

Trump's War in Iran Hiked Diesel Prices For Farmers Nearly 80%, Slamming The Industry With High Fuel Costs

Trump's war in Iran crushed exports through the Strait of Hormuz. The type of oil produced by the Gulf states and exported through the Strait is [often processed](#) into diesel, causing the commodity's price to spike in the U.S. Off-road diesel, a form of the fuel used primarily by farmers, [spiked](#) from below \$2.90 a gallon in November 2025 to [roughly \\$5.15 a gallon](#) in May 2026 (though the range varies considerably state-to-state depending on taxes). Farmers are highly dependent on off-road diesel to run farm equipment, making them [especially vulnerable](#) to these types of price changes amid peak tilling season.

Fishermen Got Slammed By High Diesel Prices.

High diesel prices also impact another massive portion of U.S. agriculture: the fishing industry. High diesel prices [spiked costs](#) for commercial fishermen from the [West Coast](#) to [Maine](#), as fishermen, who already face increasingly uncertain returns on open waters due to [climate change](#) and [overfishing](#), faced [skyrocketing costs](#) before they even left the dock.

— *High Diesel Prices Threatened American Shrimpers Across the Gulf Coast.*

Sky-high fuel prices [pose](#) an [existential threat](#) to shrimpers on the Gulf Coast. According to the Southern Shrimp Alliance, fuel costs account for [more than 50%](#) of shrimpers' total operating costs. With prices [doubling](#) thanks to Trump's war, fuel costs ballooned to unsustainable levels for many shrimpers who already operate on [razor-thin margins](#) to match international competition. The surge in diesel prices made it [nearly impossible](#) for American shrimpers to turn a profit with shrimp [selling for just \\$2–3 per pound](#), forcing many to [dock until prices lowered](#). Older, less-efficient trawlers [burn fuel faster](#), making high prices even less sustainable for aging fleets. In late May, shrimpers even began [pressing Congress](#) to act on a relief package to keep the domestic industry afloat.

— SECTION 04

Trump's War With Iran Spiked Fertilizer Prices, Driving Up Costs for Farmers

One-third of global urea and nitrogen exports and one-fifth of global ammonia exports [pass through](#) the Strait of Hormuz. Consequently, Trump's war with Iran [severely constrained](#) the global fertilizer supply, causing prices to [skyrocket](#) for farmers throughout the national planting season. Rising fertilizer costs have prompted the USDA to [raise fertilizer expense projections](#) for every major field crop for the 2026 growing season, as farmers with stretched budgets are pushed [to the brink](#). 70% of farmers [reported](#) being unable to afford all the fertilizer they needed for the 2026 crop year.

— *Trump Exposed Farmers To High Fertilizer Prices By Stalling A Key Biden-Era Fertilizer Grant Program Throughout His First Year.*

In 2025, Trump and his allies [halted](#) grants across the USDA, including for the [Fertilizer Production Expansion Program](#), effectively [stalling](#) the Biden-era program [expanding](#) domestic fertilizer production and manufacturing. The Trump administration [removed the program's page](#) from the USDA's website by February 2026. Two months into Trump's war with Iran, his Agriculture Secretary [announced plans](#) to revive the program as prices remained sky-high amid planting season.

— *Fertilizer Prices Are Poised To Remain Elevated Well Into 2027.*

According to the latest USDA Commodity Cost [report](#), fertilizer costs are likely to remain [elevated](#) well into 2027 as the supply takes [months to recover](#) to pre-war prices as fertilizer companies wait for production to resume to normal levels, then refill their depleted inventories.

SECTION 05

High Agricultural Input Costs Will Spike Food Prices When Harvest Comes

Consumers will start to feel the impact of farmers bearing high fertilizer prices and fuel costs when [harvest season approaches](#) in the fall and food prices spike. Inflation hit its [highest level in 3 years](#) in May 2026. With input costs jumping nearly 8% year-over-year for food and beverage companies in March alone, [economists](#) are [already](#) penciling-in higher food prices later in the year.

SECTION 06

Trump Administration Blunders Are Eroding Farmers' Faith in the USDA

A new report shows that the Trump USDA's corn estimates were off by 4.5 million acres last year, an acreage [slightly smaller than New Jersey](#), [significantly undercounting](#) the crop by 5%. The reporting miss, which came after the USDA [lost 23,000 employees in 2025](#) due to Trump and Elon Musk's job cuts, has [eroded some farmers' trust](#) and faith in the USDA's ability to produce accurate crop growth data. In April, the Trump administration also [rejected](#) all four women soybean farmers voted onto the United Soybean Board, replacing them with men.

CASE STUDY · 01

Iowa

“

A lot of farmers are operating on very thin margins.

— JENNIFER STUDEBAKER · EXECUTIVE DIRECTOR, WOMEN, FOOD, AND AGRICULTURE NETWORK

— *Iowa Farmers Face Bankruptcy As Costs Increase.*

Iowa farmers are facing a [nearly 65%](#) production cost increase since 2021. Iowa farmers are [facing](#) some of their [most difficult margins in decades](#) due to high input costs. Crop prices are at their lowest levels since the 1980s, but diesel and fertilizer prices are through the roof. Iowa farmers are [increasingly concerned](#) about bankruptcy as farmers across the state have already been subsisting on borrowed funds amid a [years-long agricultural recession](#). Now, many Iowa farmers have been [shut off](#) by their bankers from new credit entirely.

— *Iowa Corn & Soybean Farmers, Pushed to the Brink, Are Struggling to Make a Profit.*

Soybean farmers in Iowa are facing pricing pressures, as [low global soybean prices](#) dig into thin profit margins. Facing low prices and lacking new markets, Iowa corn farmers are also struggling to sell their product. They have [lobbied](#) for Congress to pass national E15 waivers in the 2026 Farm Bill, which would allow gas stations to sell higher-ethanol blend fuel, which, in turn, enables corn farmers to sell greater quantities of corn to ethanol producers. In late April, the GOP House passed the Farm Bill [without](#) the nationwide ethanol-blend waiver farmers lobbied for, however.

CASE STUDY · 02

North Carolina

“

This is one of the toughest times I've seen in agriculture.

— RON HEINIGER · NORTH CAROLINA STATE UNIVERSITY

— *Rising Fuel & Fertilizer Costs Are Hurting North Carolina Farmers & Shrimpers.*

In North Carolina, rising diesel prices have [hit local agriculture hard](#). North Carolina farmers are [struggling to adjust to higher diesel prices](#) as they pay more to fill their farm equipment and transport their fruits and vegetables to markets across the state. Rising diesel prices are also [forcing local shrimpers](#) to keep their boats docked. Likewise, high fertilizer prices have [pushed](#) local farmers to rethink their crop plans and swallow the prospect of [reduced crop yields](#).

— *Drought Is Sweeping Across North Carolina Amid Planting Season.*

Farmers are already struggling with [low rainfall](#) as North Carolinians weather [severe and extreme drought conditions](#) covering more than 95% of the state. Drought conditions [couldn't come at a worse time](#) for the state. As the South enters planting season, early-season droughts curb root development and limit eventual harvest yields – even if weather conditions improve later on in the season. It's [too late](#) for farmers to switch to more drought-resistant crops, and more and more North Carolina municipalities are [implementing mandatory water restrictions](#) that [disrupt irrigation schedules](#). Limited yields combined with high diesel prices and fertilizer prices could [push prices even higher](#) than expected.

— *High Costs Are Already Increasing Food Prices At North Carolina Farmers Markets.*

Local shoppers at state farmers' markets are [already seeing higher prices](#) for fresh fruits and vegetables. One farm [increased](#) tomato prices 58% and cucumber prices 67% compared to last year.

CASE STUDY · 03

Georgia

“
*Normally, we can comfortably say we're running at 25%.
The last month it went to zero. It went to zero [profit].*

— NICOLE FOLKES-JOHNSON · CO-OWNER, EAT RIGHT ATLANTA MOBILE FARMERS MARKET

— *Rising Fuel & Fertilizer Costs Are Hurting Georgia Farmers & Shrimpers.*

Evidence is mounting that Georgia farmers are buckling under the pressure of high input costs, a changing workforce, and unfavorable weather. New data shows farmers across Georgia are [facing](#) a sharp drop in seasonal workers after the federal government lowered the required pay rate for H-2A visa holders. In South Georgia, farm bankruptcies [increased by 145%](#) between 2024 and 2025, and profit margins are only shrinking. Georgia farmers and delivery drivers are [facing](#) sky-high diesel prices, with some [losing money](#) every day they stay in business. Likewise, high diesel prices have [pushed](#) local shrimpers to rethink their seasonal operations entirely, shortening trips and forcing some to dock until prices go down.

— *Southern Farmers Are Disproportionately Exposed To Sky-High Fertilizer Prices.*

Nearly all farmers have suffered under high fertilizer prices, but some regions are more impacted than others. Most Midwest farmers (67%) [pre-booked](#) fertilizer ahead of the season, beating skyrocketing prices caused by Trump's war in Iran. In sharp contrast, just 19% of farmers in the South said they [pre-ordered](#) fertilizer ahead of the season, leaving 4 out of 5 Southern farmers [exposed](#) to sky-high prices. Now, 78% of Southern farmers say they can't afford all the fertilizer to fulfill crop needs, compared to nearly half of farmers in the Midwest (48%) who said they could not afford the fertilizer they need.

— *Drought & Wildfires Are Sweeping Across Georgia
Amid Planting Season, Threatening Farmland.*

Like North Carolina, Georgia is [facing](#) one of the worst droughts in state history this spring. Hundreds of Georgia counties were [designated](#) as primary natural disaster areas due to drought conditions. Over 9.75 million acres of Georgia farms are in “exceptional drought” conditions, leaving thousands of farmers with dry soil [unsuitable for growing their crops](#). To make matters worse, the drought sparked a [series of major wildfires](#) consuming tens of thousands of acres of land. With fast-moving wildfires racing across southern Georgia in late April, farmers are being [forced to confront](#) the reality of losing their livestock or fields right as planting season looms.

— *High Costs & Drought Conditions Threaten
To Send Local Food Prices Through the Roof.*

Georgia farmers are [warning](#) that drought conditions will lead to higher beef prices, higher dairy prices, and more expensive local produce as [hay costs rise](#). Local tomatoes have [nearly tripled in price](#), up from \$20 to \$70 per case at a local Atlanta-based farmers market [serving nearly 5,000](#) families a week.

CASE STUDY · 04

Minnesota

“
I'm happy if I can get them to break even. There's just not a lot of profitability in most farming operations right now.

— STEVE ZENK · MINNESOTA DEPARTMENT OF AGRICULTURE

“
The president's decision to go to war with Iran is really affecting farmers.

— GARY WERTISH · MINNESOTA FARMERS UNION PRESIDENT

— *Rising Fuel & Fertilizer Costs Hurt The Agriculture-Heavy Minnesota State Economy.*

In Minnesota, high diesel prices [hit local agriculture hard](#). Likewise, [high fertilizer prices](#) have [pushed](#) local farmers to the brink. The industries most impacted by these high commodity prices – agriculture, food processing, and forestry – [pump](#) some \$112 billion into the Minnesota economy every year and [employ](#) nearly 1 in ten Minnesota workers. In Minnesota, some farmers [skipped](#) planting season altogether amid rising fuel and fertilizer costs, choosing to [halt production entirely](#) as profits turn negative – and costs are expected to squeeze Minnesota farmers [long after the Strait of Hormuz reopens](#). The ripple effects will result in less money flowing through the state economy, more expensive food, and fewer jobs to go around.

— *Minnesota Farmers Face Bankruptcy As Costs Increase.*

In spite of Trump's [failed multi-billion-dollar bailout](#) to farmers in February, which [covered just one-third](#) of farmers' estimated losses, Minnesota [led the country](#) in farm bankruptcies during the first quarter of 2026 as [costs rose](#) and net farm income [plummeted](#) across the state. Farm margins

will only continue to tighten as crop prices remain historically low and many expect high commodity prices to remain elevated for Minnesota farmers.

— *Minnesota Farmers Face Unstable Weather Conditions, Disease, and More Amid Commodity Turmoil.*

As fuel and fertilizer costs have spiked, Minnesota farmers are confronting the Trump administration's cancelled grants, weather disruptions and climate extremes, the return of disease that could devastate expensive crops, and more.

DEFEND AMERICA *ACTION*

DEFEND AMERICA ACTION · JUNE 2026

America's farmers don't have another season to wait.

Defend America Action is a 501(c)(4) advocacy organization dedicated to standing up for the working families, farmers, and communities 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.