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BROKEN PROMISES, RISING PRICES

How Trump's Policies Hurt Farmers and Families

Since returning to office, the Trump administration's false promises and aggressive trade wars have yet to reduce financial burdens for working people; instead, a mix of tariffs, pro-corporate policies, and thoughtless budget cuts threatens to worsen inflation and the economy as a whole.

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Introduction

More than 47 million people in the US face hunger, even though more than 40% of US land is dedicated to agricultural use. Large agribusinesses continue to dominate over small-scale, independent farmers, While high production costs, corporate consolidation, and limited access to credit have limited opportunities for small-scale farmers to compete. At the same time, food prices have risen, leaving consumers, especially resource-constrained households, with fewer affordable and healthy options.

Throughout the 2024 presidential election, both candidates ran on platforms promising to reduce the high costs and inconsistencies in our food system¹. The Harris campaign committed to limiting anti-competitive practices, allowing big corporations to inflate prices and undermine the competition by passing a federal ban on price gouging on food and groceries, building on the anti-price gouging statutes already in place in 37 states. Now President Trump campaigned on promises to lower the cost of everyday goods, including eggs and other food staples – with few concrete policy pathways to do so.

Since returning to office, the Trump administration’s false promises and aggressive trade wars have yet to reduce financial burdens for working people; instead, a mix of tariffs, pro-corporate policies, and thoughtless budget cuts threatens to worsen inflation and the economy as a whole.

Trump’s 2nd Term - Policies Impacting Food & Farms

Policy	Description
Imposition of Tariffs	The administration imposed tariffs on imports from China, Mexico, and Canada, leading to retaliatory measures that decreased demand for American agricultural products and increased costs for farmers. (1 , 2 , 3)
Reduction in Agricultural Research Funding	Significant cuts to public funding at USDA and USAID have led to the closure of research labs focused on developing drought-resistant crops and other innovations essential for climate change adaptation. (1 , 2)
Cuts to Food Assistance Programs and School Nutrition Programs	Over \$1 billion in federal funding cuts to Local Food Purchase Assistance (LFPA) and the Emergency Food Assistance Program (TEFAP) programs have affected food banks, schools, and local farmers nationwide, reducing their capacity to provide essential food items to low-income Americans. Reduction in the budgets for school lunch programs and increasing work requirements for food stamp recipients. (1 , 2 , 3)
Restrictions on SNAP Purchases	New ban on the purchase of sugary drinks and junk food using Supplemental Nutrition Assistance Program (SNAP) benefits. (1)
Mass Layoffs in the USDA	Approximately 6,000 USDA employees, including scientists and conservation planners, have been terminated, disrupting agricultural research and conservation efforts. (1)
DOGE cuts to USDA contracts	DOGE Cuts More Than 100 USDA Office Leases, most of the largest USDA office contracts were in Republican-led states: Alabama, Alaska, Arizona, Georgia, Idaho, Kentucky, Missouri, North Carolina, and Texas. (1 , 2 , 3)

Trump's Tariffs & Food Prices

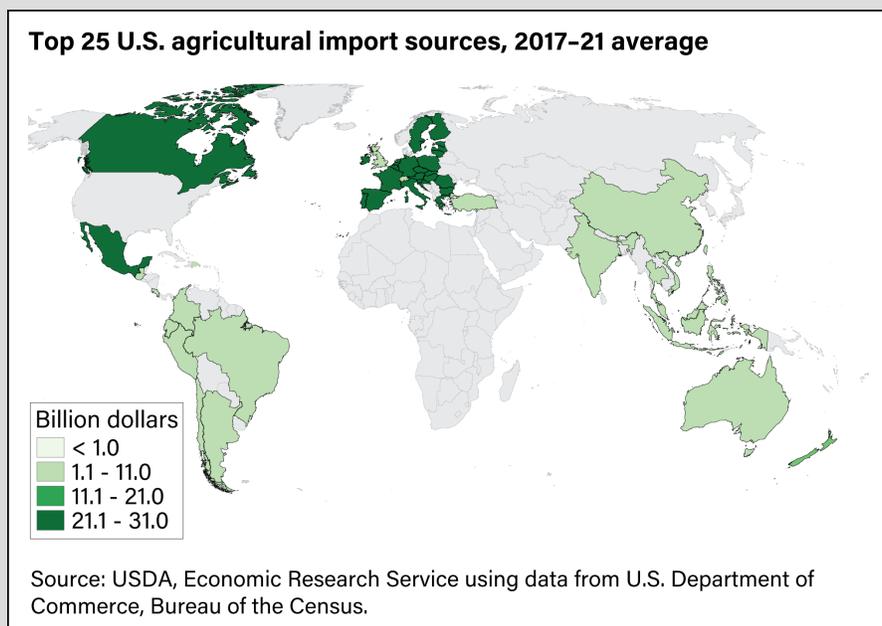
A tariff is a tax on imported goods, and despite Trump's claims that other countries will bear the cost, it's American consumers who will end up paying higher prices. Trump has imposed a new 25% tariff on imports from Canada and Mexico and raised tariffs on imports from China to 20%. A recent analysis by the nonpartisan Tax Foundation shows that the tariffs now imposed on these three countries would amount to an average tax increase of \$1,072 per U.S. household and are likely to drive up costs for consumers.²

Our country is more globally connected now than ever, and our closest trading partners, Canada and Mexico, are major agricultural suppliers to the United States. From 2017 to 2021, Canada supplied an average of \$30.9 billion in agricultural products, and Mexico supplied \$25.5 billion.³ Mexico also provided 31% of the United States imported horticultural products, including fruits, vegetables, and alcoholic beverages. This means higher prices for

produce, in particular avocados, tomatoes, raspberries, bell peppers, and strawberries, for which Mexico is the leading supplier.^{4,5} In addition, retaliatory tariffs by other countries and decreased purchasing of US exports may also impact the economy in ways that hurt everyday people. The use of tariffs under the Trump administration will have far-reaching consequences and will create a ripple effect throughout the agricultural sector that ultimately reaches consumers' grocery bills.

Tariffs also impact American farmers and producers that rely on imported goods such as fertilizers, pesticides, and farm equipment.

The U.S. has historically sourced nearly all the potash, a key fertilizer used by farmers from international markets; today, 85% of our potash is imported from Canada. Additionally, Canada supplies U.S. growers with nearly 10% of their nitrogen fertilizer needs, accounting for 25% of total nitrogen fertilizer imports.⁶ Tariffs on these essential inputs drive up production costs, forcing farmers to either absorb the losses or pass them on to consumers.⁷



Corporate Consolidation & Costs to Consumers

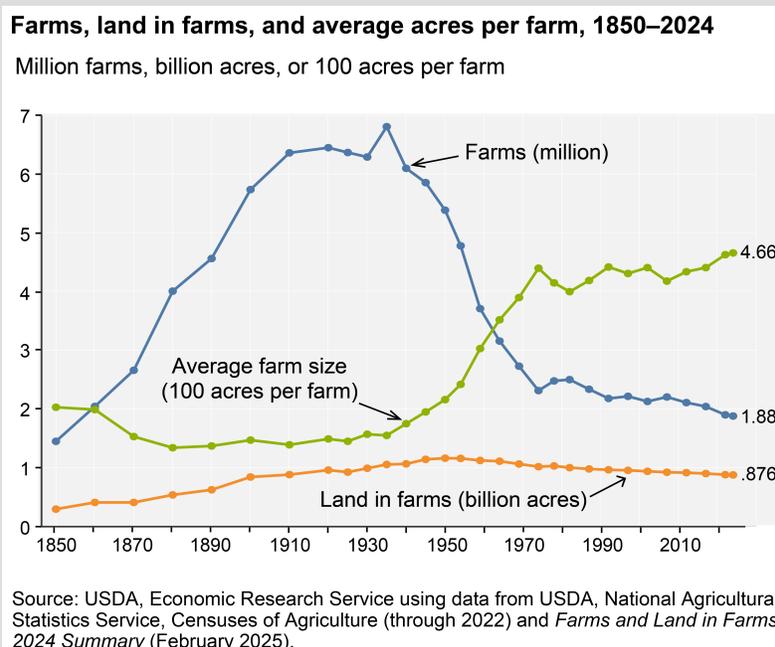
Another major challenge under the new administration is the consolidation of corporate power in agriculture. **With fewer regulations and weaker enforcement of antitrust laws, large agribusinesses now have greater control over input prices and market access.**

Corporate consideration is an issue extends across the entire food system, impacting everything from grocery retail to food packing and agribusiness. **A handful of companies control nearly 80% of the market share for dozens of grocery items regularly purchased by Americans, giving them the power to raise prices at will.**⁸ This leaves shoppers with little choice but to pay more while corporations exploit their market dominance for greater profits.

Even as the prices of groceries go up, most of the farmers who grow our food are not seeing

increased revenues. **Overall, only 15 cents of every dollar spent on groceries goes to farmers; the rest goes to processing and marketing food.**⁹ According to the USDA, net farm income, a broad measure of profits for farm operations, is forecast to decrease by \$10.2 billion (6.8 percent) from 2023 to 2024.¹⁰ Independent family farms in particular often have limited bargaining power and must accept the price offered for their produce, all while facing rising costs of production like labor, fertilizer, and equipment.¹¹

Making matters worse, under Trump's deregulatory agenda 2016-2020, agribusiness giants like Bayer-Monsanto and Cargill expanded their market dominance. Without price transparency or competition, small farmers found themselves paying significantly higher prices for seeds and fertilizers while the same companies paid them lower prices for their crops and livestock. This imbalance led to declining profit margins and an increase in farm closures.



DOGE & Republican Budget Cuts

Under the banner of “government efficiency,” the Trump administration has begun freezing federal funds across key food access programs—throwing schools, food banks, small farmers, and state agencies into chaos. Instead of investing in the people and systems that support a more resilient and accessible food supply, the new administration is slashing life line programs that address hunger. The Republican-led House Agriculture Committee **proposed a \$230 billion cut to the Supplemental Nutrition Assistance Program (SNAP), America’s most important anti-hunger program.**¹²¹³ If passed through budget reconciliation, this would be the largest cut to SNAP in history.

At the USDA two key programs were eliminated, which would have provided resources to school meals and food banks for purchasing food from local farms.¹⁴ The USDA’s Local Food Purchase Assistance and Local Food for Schools programs, budgeted for \$1 billion annually were abruptly defunded after helping connect thousands of schools and small farms with fresh, healthy food. Many farmers had already made investments in seeds, equipment, and labor expecting funding to last through 2028.¹⁵

The administration has also frozen funding for projects backed by the Inflation Reduction Act

(IRA), including over \$911 million in obligated payments through the USDA’s Rural Energy for America Program (REAP).¹⁶ This includes grants to farmers engaged in regenerative agriculture and renewable energy initiatives. Farmers who installed solar panels or planted climate-resilient crops under the promise of federal support are now left in limbo.

In response, states like Maine are suing over the unlawful withholding of USDA funds.¹⁷ Grassroots, nonprofit organizations, and small farmers are also fighting back. Earthjustice, along with other legal advocates recently, filed a lawsuit on behalf of affected groups, arguing that the administration’s refusal to release Inflation Reduction Act funds violates the Constitution and the Administrative Procedure Act.¹⁸

These cuts not only limit access to nutritious meals for resource constrained households who rely on these programs but also place additional strain on states already struggling to fund meal programs. As a result, many districts will be forced to source lower-quality, mass-produced food, while local farmers lose a key market, undermining efforts to build a more resilient and local food system. **The so-called ‘savings’ from these cuts will ultimately help fund tax breaks for the wealthiest business owners and households.**

Anti-DEI Backlash

In addition, the far right's anti-diversity backlash has dire consequences for farmers of color. Black farmers are the very foundation of the food and agriculture system in this country – many of the seeds and agricultural practices that have fed Americans for generations come directly from the ancestors of African Americans.

Since 1910, Black land ownership has declined from nearly 16 million acres of land to less than 5 million acres, less than 1% of total farmland. The legacy of discriminatory policies, land theft, and systemic barriers to credit, land, and markets has only deepened these inequities. Under the Trump administration, farm bailouts intended to offset trade losses overwhelmingly benefited large white-owned farms, while Black farmers received less than 1% of federal aid. At the same time, rising input costs driven by price gouging pushed many Black farmers to the brink, forcing them to sell their land or shut down their operations altogether.

Chart: Decline in Black land ownership since 1910



Conclusion & Policy Considerations

The Trump administration's trade policies and deregulatory approach to agriculture contributed to rising food costs and made it increasingly difficult for small and Black-owned farms to remain financially viable. Instead of policies that spark trade wars, cut vital food programs and prioritize corporate interests, we need expanded support for regional agriculture and ensuring fair access to markets to create a more resilient food supply and make healthy, affordable food accessible to all communities.

One of the most urgent steps this administration must take is to release the USDA funds currently being withheld from small and underserved farmers. Congress allocated these funds to support producers who've long been excluded from federal assistance. Blocking this aid not only worsens existing disparities but also undermines efforts to build a fairer, more resilient food system. At the same time, the administration must end the harmful tariffs on agricultural imports and farm inputs, which have raised grocery bills for consumers and driven up operating costs for farmers. These tariffs are a direct tax on working families and small producers.

For a full list of our policy recommendations, including fair pricing reforms, antitrust enforcement, and support for local supply chains, please refer to our full report: [Grocery Price Gouging: How Corporate Greed Fuels Rising Costs & Food Insecurity](#).

Detailed Policy Recommendations

1. **Curb corporate antitrust and price gouging practices that lead to artificially inflated prices, ensuring that both consumers and small producers are protected from unfair market manipulation and unnecessary costs.**
 - Encourage the DOJ to prosecute entities involved in price fixing and other anti-competitive behaviors, safeguarding consumer interests and fair market practices.
 - Pass the Price Gouging Prevention Act of 2024 [S.3803](#) - This bill would authorize the Federal Trade Commission (FTC) and state attorneys general to enforce a federal ban against grossly excessive price increases.
2. **Enact a moratorium on all large agribusiness and grocery retail mergers, ensuring a fair and competitive marketplace.**
 - **Urge the DOJ and FTC to scrutinize and, when appropriate, block mergers and acquisitions** in the food and agricultural sectors, preventing excessive market concentration.
 - **Food and Agribusiness Merger Moratorium and Antitrust Review Act [S.4245](#)** - This legislation would place an immediate and indefinite moratorium on acquisitions and mergers in the food and agriculture sector.
 - **Food System Reform Act of 2023 [H.R.797](#) & [S.271](#)** - This bill aims to place a moratorium on large concentrated animal feeding operations, to strengthen the Packers and Stockyards Act, 1921, to require country of origin labeling on beef, pork, and dairy products, and for other purposes.
 - **Farm Land for Farmer Act [S.2583](#)** - This bill protects farmers and rural land owners from corporate land grabs by banning new corporate ownership of agricultural land.
 - **Meat and Poultry Special Investigators Act [S.3870](#)** - This legislation will address anticompetitive practices in the meat and poultry industries that hurt consumers and producers
 - **Fairness for Small-Scale Farmers and Ranchers Act [H.R.4979](#) & [S.2670](#)** - would halt mergers of big agriculture firms and strengthen antitrust laws across the agricultural sector.
 - **Prohibiting Anticompetitive Mergers Act [S.3847](#) & [H.R.7101](#)** - This bill prohibits certain business mergers, modifies the procedures for reviewing mergers, and establishes procedures for reversing certain mergers.
 - **Opportunities for Fairness in Farming Act of 2023 [S.557](#)** - This bill stops boards that manage checkoff programs from working with groups that try to affect government policies related to agriculture.

3. **Increase equitable SNAP program access by eliminating exclusionary policies, improving access for vulnerable populations.**
 - **Direct the USDA to streamline SNAP eligibility processes**, removing unnecessary bureaucratic hurdles and allowing automatic enrollment for qualifying individuals.
 - **SUPPORT For SNAP Act of 2023 [H.R.3847](#)** -This bill aims To improve SNAP access assistance for people experiencing homelessness
 - **Food Access and Stability Act of 2023 [H.R.4060](#)** -This amendment removes the time limit on exemptions from work requirements for homeless people, veterans, and foster care individuals in order to qualify for food assistance
 - **Improving Access to Nutrition Act of 2023 [H.R.1510](#)** -This bill repeals certain work requirements for the Supplemental Nutrition Assistance Program (SNAP). The requirements apply to able-bodied adults who are ages 18-49 and have no dependent children.
 - **Enhance Access to SNAP Act of 2023 [H.R.3183](#) & [S.1488](#)** - The EATS Act would permanently ensure more equitable SNAP access for low-income college students
 - **OH SNAP, Close the Fruit and Vegetable Gap Act of 2023 [H.R.4149](#) & [S.2015](#)** -The OH SNAP Act would scale up the mandatory funding for GusNIP to \$3.5 billion over the 5 years of the 2023 Farm Bill and authorize \$100 million of discretionary funding annually for 5 years.

4. **Expand programs that increase food security, such as providing free, nutritious school breakfast and lunch, reducing hunger and improving health outcomes.**
 - **The Universal School Meals Program Act of 2023 [H.R.3204](#) & [S.1568](#)** ensures every student has access to free, nutritious meals throughout the day. It also emphasizes local food procurement to support small family farms and stimulate local economies.
 - **Food Deserts Act [H.R.1230](#)** - This bill establishes a grant program within the Department of Agriculture to support grocery stores in underserved communities, aiming to enhance access to affordable, healthy foods; It prioritizes applications from entities that hire workers from underserved communities and source food locally.

5. **Build an inclusive, just and climate-smart food system that works for everyone**
 - **Invest \$500 billion in USDA programs to support climate-smart farming** and incentivize farmers to develop ecologically regenerative systems that reduce emissions, sequester carbon, and rebuild soil and biodiversity.

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