



FOR IMMEDIATE RELEASE



## “Tariffs Are Not ‘Fun’ & Farmers Are Frustrated”

Tariffs inflict further financial damage on already-struggling farm economy

**Washington, D.C. March 4, 2025.** Farmer members of the American Soybean Association have for years consistently maintained their position that they do not support the use of tariffs, which threaten important markets and raise input costs for farmers, as a negotiation tactic. The interconnected nature of agricultural supply chains means tariffs have immediate negative, and in many cases lasting, impacts on their farms and the country’s rural economy.

President Trump’s 25% tariffs on goods from Mexico and Canada took effect just after midnight in the early morning hours of March 4. Canada responded swiftly with plans to impose 25% tariffs on nearly \$100 billion of U.S. imports over two tranches, and Mexico’s president said it would also soon retaliate. The U.S. added an additional 10% tariff on Chinese imports overnight, compounding the 10% export tax imposed on China a month ago and existing duties on the country’s goods. China’s comeback was quick: 10% retaliatory tariffs on U.S. soybeans and additional actions that limit market access.

“Farmers are frustrated. 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. Being able to reliably supply a quality product to them consistently,” said Caleb Ragland, American Soybean Association president and soy farmer from Magnolia, Kentucky.

Ragland explained, “As the #1 export crop for the U.S., soybean producers face huge, disproportionate impacts from trade flow disruptions, particularly to China, which is our largest market. And we know foreign soybean producers in Brazil and other countries are expecting abundant crops this year and are primed to meet any demand stemming from a renewed U.S.-China trade war. Soybean farmers still have not fully recovered market volumes from the damaging impacts of the 2018 trade war, and this will further exacerbate economic hardship on our farmers.”

In the 2023/2024 marketing year, U.S. exporters shipped 46.1 million metric tons (MMT) of soybeans to foreign markets, accounting for nearly \$24 billion in sales. During the 2018 trade war with China, U.S. agriculture experienced over \$27 billion in losses, with soybeans accounting for 71% of those losses. Soy farmers continue to struggle with long-term reputational impacts, as the markets they worked for years to build—over 40 years for China!—are grounded in being able to supply a reliable, quality crop.

Unlike in 2018, farmers are in a more tentative financial situation in 2025. Commodity prices are down nearly 50% from three years ago. And, they are operating their farms during a time when costs for land and inputs like seed, pesticides and fertilizer are high, meaning much slimmer margins and less savings to draw from when tariffs make circumstances go south.

Mexican President Claudia Sheinbaum has said she plans to announce retaliatory tariff and non-tariff measures against the U.S. at an upcoming rally in Mexico City's central square.

Ragland said of Mexico and Canada, "ASA represents nearly half a million farmers in the United States who grow soybeans, and those farmers rely on two-way trade coming in and out of Mexico and Canada. Not only are those two markets vital for the export of whole soybeans, soy meal and soy oil, but we also rely on them for fertilizer and other products needed to successfully produce our crops. For instance, around 87% of the potash we use here in the U.S. is imported from Canada."

Since the North American Free Trade Agreement, NAFTA, was ratified in 1993 and then continuing under USMCA, which was signed into law five years ago in January 2020, Mexico and Canada have developed into major trading partners for soy, our country's #1 agricultural export. Mexico is the second-largest customer for whole soybeans, soybean meal, and soybean oil. Canada is U.S. soy's fourth-largest customer for soybean meal. The U.S. imports the bulk of its potash from Canada, along with other crop inputs, equipment and more.

ASA and soy farmers are urging the administration to reconsider these tariffs and potential upcoming tariffs to which President Trump has alluded and continue negotiations with the three countries that include non-tariff solutions.

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*The American Soybean Association (ASA) represents U.S. soybean farmers on domestic and international policy issues important to the soybean industry. ASA has 26 affiliated state associations representing 30 soybean-producing states and nearly 500,000 soybean farmers. More information at [soygrowers.com](https://soygrowers.com).*

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