



# THE STATE OF THE FARM ECONOMY AS OF JANUARY 2025

March 18, 2025 | Tate Bennett

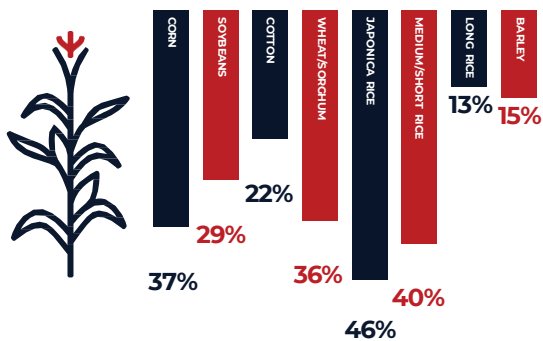
**U.S. FARMERS ENDURED FOUR YEARS OF RECORD INFLATION, RED TAPE, TRADE DEFICITS, AND OTHER ACTIONS UNDERCUTTING AGRICULTURE.**

The 2024 agricultural trade deficit reached a record of

**\$32**  
BILLION

Further, there is a projected 2025 agricultural trade deficit of **49 BILLION**.

Commodity prices fell from 30-year highs from 2022-2024.



\*with the exception of 2012

The cost of growing an acre of corn increased by

**NEARLY 30%**

Farm income fell by more than

**\$90**  
BILLION



between 2023-2024, marking the largest dollar value loss for agriculture in U.S. history.

The number of U.S. farms declined by

**141,733**

in recent years, a 7% decline.

The cost of federal regulations was \$12,800 per year, per employee, for the average family farm and small business.



January 2021 to January 2025:

Gasoline prices were up **38%** from \$2.33 to \$3.21/GALLON

Diesel prices were up **35%** from \$2.68 to \$3.63/GALLON

Egg prices were up **237%** from \$1.47 to \$4.95/DOZEN

Bread prices were up **25%** from \$1.55 to \$1.93

Ground Chuck, 100% Beef

prices were up **28%** from \$4.31 to \$5.50

According to the Prices Paid Index for Commodities and Services, Interest, Taxes, and Farm Wage Rates (PPITW): input prices are up **30%**

**AMERICA FIRST FARM POLICIES WILL MEND THE BROKEN FARM ECONOMY**

**THE FOLLOWING ARE SUGGESTED AMERICA FIRST FARM POLICIES:**

- ★ **Implement a bold deregulatory agenda.** Specifically, the [regulatory freeze pending review](#), the [1-in-10-out regulatory initiative](#), [efforts boosting domestic energy production](#) to lower energy rates (given that agriculture is energy intensive), and [efforts to abolish DEI and climate initiatives](#) across the federal government.
- ★ **Reduce the current record-breaking agricultural trade imbalance and identify new export opportunities for U.S. agricultural products.** If other countries are going to pursue tariff barriers to U.S. agricultural exports, it is only fair that our tariffs match theirs. The desired long-term outcome is that tariffs in importing countries decline and increased U.S. agricultural exports eliminate the current negative trade balance. These tools also can be used to hold China accountable for its unfulfilled commitment from the Phase One agreement to purchase U.S. agricultural products. Finally, the Office of the U.S. Trade Representative (USTR), the U.S. Department of Agriculture (USDA), and the Department of Commerce (DOC) could simultaneously explore new market opportunities for U.S. agricultural exports. Such opportunities might include India, Japan, Kenya, and Taiwan, among others.
- ★ **Monitor and act on our competitors' unfair trading practices.** Using tools at the U.S. International Trade Commission (USITC), in conjunction with USTR and USDA's Trade and Foreign Agricultural Affairs Mission Area, would allow for closer monitoring of competitors' use of illegal, market-distorting subsidies to ensure a more level playing field globally. Greater awareness and oversight of illegal price supports would protect U.S. export opportunities.
- ★ **Continue to diligently confront animal disease outbreaks.** Animal disease outbreaks can force hardship on producers and volatility in supermarket prices. USDA Secretary Rollins has responded to the highly pathogenic avian influenza (HPAI) outbreak by implementing a plan to boost biosecurity, speed repopulation, cut regulation, increase research and development resources to reduce depopulation, and explore temporary import-export options.
- ★ **Ensure timely distribution of congressionally mandated economic and disaster aid.** USDA can prioritize the timely distribution of the \$31 billion in economic and natural disaster aid signed into law in December of 2024. The aid includes two parts: 1) \$10 billion in economic assistance to make up for inadequacies in the farm safety net, to be launched by a March 21, 2025, deadline; and 2) \$21 billion in natural disaster aid designed to offset producer losses due to a variety of perils. All eligible producers should receive the same payment rate, regardless of race or gender.
- ★ **A new, multi-year farm bill would bring long-term certainty to U.S. farmers and ranchers.** A multi-year farm bill that reduces regulatory burdens and makes significant improvements to the farm safety net would bring much-needed long-term certainty and stability to the farm economy.
- ★ **Addressing the expiring death tax exemption would bring greater certainty to generational farmers.** Roughly [86 %](#) of U.S. farms are small family farms. If the death tax were to be repealed or extended at its current rate of \$13.61 million per individual, double per married couple, it could benefit over [two million family farmers who otherwise would see this exemption go away in 2025](#). Addressing this issue helps enable family farms and small business owners to pass their operations along from one generation to the next.

- ★ **Bring manufacturing back to the U.S.** President Trump has underscored the need to bring manufacturing back to the U.S. The U.S. imports a substantial share of crop care products or those that treat weeds, insects, and diseases. Many times, these building blocks in the food system are manufactured in adversarial countries, such as China, Russia, and Belarus. Food security is national security, so it is time to bring more of the supply chain back home. One way to do this would be to consider adding potash and phosphate (used in fertilizers) to the U.S. Geological Survey, Department of the Interior List of Critical Minerals.
- ★ **Leverage President Trump's Make America Healthy Again Commission.** With the U.S. importing [more than half of our fruit and 35 % of our vegetables](#), it is time to increase production at home, where possible, understanding there may be some seasonal challenges. Growing more on U.S. soil would boost employment from production to distribution, while providing consumers with greater access to domestically grown safe, abundant, and affordable nutritious foods. This policy aligns with many of the goals outlined in the [President's Make America Healthy Again Commission](#). This crop segment is also a viable pathway for young and beginning farmers to start their careers in agriculture.