# British family farms face closure risk as Starmer-led US trade deal lifts ethanol tariffs



More British family farms could face closure as they struggle to compete with US imports, a potential consequence of a new trade deal brokered under the leadership of Sir Keir Starmer. Commentary from industry experts, including farmer James Mills, reveals the anxiety felt within the agricultural sector regarding the implications of the agreement. Mills, who operates a 500-acre arable farm near York, expressed grave concerns that lifting tariffs on US ethanol imports will undermine local agriculture. "They're sacrificing an industry they don't understand," he stated, highlighting a perception that agriculture, despite its critical role in food security and rural economies, doesn't factor significantly into the government's economic priorities.

The core elements of the trade agreement will see Britain's current tariffs on US ethanol, which stand at 19%, eliminated. In exchange, US farmers will gain access to the UK market for a quota of 13,000 tonnes of beef that meets UK welfare standards. This arrangement poses significant risks, according to Mills, as he described the reliance of his operation on selling crops, such as wheat, to local bioethanol plants that would now be threatened by cheaper US imports. He pointed out that the financial strain could push farmers to export their produce, potentially at lower profit margins that would make local farming unsustainable. The repercussions of such changes extend beyond individual farms; the loss of family-run businesses would impact entire communities, erasing agricultural skills and localised food systems that have been integral to British culture.

National Farmers Union President Tom Bradshaw has echoed these sentiments, stating that the agricultural sector may bear the brunt of tariff reductions aimed at benefitting other sectors. Major players in the agribusiness sector, including the CEOs of Associated British Foods and Ensus, have indicated that they may be forced to shut down their operations in the UK, citing a landscape shaped by regulations favouring overseas producers and a loss of domestic competitive edge.

Concerns are not limited to arable farming; livestock farmers, like Sally Hodgson from Derbyshire, fear that American meat products, which do not adhere to the UK's high welfare and environmental standards, could flood the market, undercutting local producers. Hodgson, who runs a small-scale operation based on sustainable practices, articulated the pride she derives from her produce, which is deeply connected to local traditions and ecology. However, the reality of cheaper US imports threatens to diminish that connection, making it increasingly challenging for her business to thrive.

Adding another layer of complexity, economic discussions highlight the evolving landscape of US trade policy under the Trump administration. Analysts note that the recent US-UK agreement reflects an unpredictable approach, marked by ad hoc negotiations that often compromise established trade norms. Critics argue that these moves undermine the integrity of the global trading system and could harm long-standing partnerships, particularly within the EU, as the UK navigates its post-Brexit identity.

As the UK negotiates its future trade relations with both the US and the EU, policymakers face a considerable challenge. The government's assurance that it will uphold strict food standards appears at odds with the realities of trade agreements that favour US access to UK markets. With farmers and industry advocates increasingly vocal about their fears, a push for greater regulatory alignment with the EU and the preservation of British agricultural standards may become essential in maintaining the integrity of the farming sector.

British farmers remain clear: without a concerted effort that prioritises their needs and those of the agriculture sector, the future of family farming in the UK could be permanently altered. The sentiments echoed by Mills and Hodgson are not simply concerns for farmers but warnings signalling the potential cost to community and cultural identity entwined with UK agriculture.

### Reference Map

1. Paragraph 1: [[1]](https://www.express.co.uk/news/uk/2056363/trump-starmers-trade-deal-destroy-family-farms)
2. Paragraph 2: [[1]](https://www.express.co.uk/news/uk/2056363/trump-starmers-trade-deal-destroy-family-farms), [[2]](https://www.ft.com/content/0f3d241a-0e75-4bda-ae64-c80b96d36c73)
3. Paragraph 3: [[1]](https://www.express.co.uk/news/uk/2056363/trump-starmers-trade-deal-destroy-family-farms), [[2]](https://www.ft.com/content/0f3d241a-0e75-4bda-ae64-c80b96d36c73)
4. Paragraph 4: [[3]](https://www.ft.com/content/26e457b3-d749-4d6a-8097-b06bbed29d88)
5. Paragraph 5: [[1]](https://www.express.co.uk/news/uk/2056363/trump-starmers-trade-deal-destroy-family-farms), [[5]](https://www.reuters.com/world/uk/uk-rules-out-trade-deals-which-undercut-food-standards-2025-02-25/), [[6]](https://www.ft.com/content/ab671907-51a5-4826-9204-68fdd0bdbd67)
6. Paragraph 6: [[1]](https://www.express.co.uk/news/uk/2056363/trump-starmers-trade-deal-destroy-family-farms), [[4]](https://www.ft.com/content/7a5ae30b-5e46-43e4-8a26-bdd35e71362c)
7. Paragraph 7: [[1]](https://www.express.co.uk/news/uk/2056363/trump-starmers-trade-deal-destroy-family-farms), [[3]](https://www.ft.com/content/26e457b3-d749-4d6a-8097-b06bbed29d88), [[7]](https://www.ft.com/content/21b2fcc5-bfe8-4b27-adab-702c4eb0f0c4)

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## Bibliography

1. <https://www.express.co.uk/news/uk/2056363/trump-starmers-trade-deal-destroy-family-farms> - Please view link - unable to able to access data
2. <https://www.ft.com/content/0f3d241a-0e75-4bda-ae64-c80b96d36c73> - The Financial Times discusses recent developments in US trade policy, particularly under the Trump administration. Alan Beattie, a trade expert, explains the current chaotic landscape where US trade tariffs are inconsistently applied and frequently revised. The US recently reduced tariffs on Chinese imports from around 145% to approximately 30% following talks in Geneva, signaling a shift from aggressive decoupling to a more managed trade approach. Additionally, the US struck a rapid and non-legally binding trade agreement with the UK, lowering tariffs on cars and steel in exchange for access to UK markets for US beef and ethanol. This deal has been criticized for breaching WTO principles and for lacking transparency and mutual accountability. Beattie warns that these developments could undermine the global trading system, especially if countries bypass multilateral frameworks. He highlights the EU’s more structured and rule-based stance in upcoming talks with the US, contrasting the ad hoc US approach. The episode emphasizes that despite superficial progress, underlying confusion and unpredictability remain. The discussion ends with a reflection on the resilience of global supply chains and light-hearted commentary on the UK’s dry weather.
3. <https://www.ft.com/content/26e457b3-d749-4d6a-8097-b06bbed29d88> - The Financial Times reports on the recent US-UK trade agreement, hailed as the first major deal since Trump declared 'liberation day,' signaling a shift in global trade dynamics but offering limited substantive gains. The deal includes lowered UK car tariffs from 27.5% to 10% with a 100,000-vehicle quota, increased access for US agricultural and machinery exports, and collaboration on key supply chains. However, it's largely a symbolic agreement with many non-binding provisions, reflecting Trump's preference for deals that maintain strategic ambiguity and control. Critics argue the UK has conceded to heightened US tariffs and undermined global trade norms, appearing to validate Trump's protectionist baseline. Concerns also arise about the UK’s weakened global standing post-Brexit, with Trump leveraging this relationship to keep Europe politically fragmented. Yet, some see potential for the UK to use the deal to advance EU relations, particularly as regulatory standards in agriculture were upheld. Analysts agree the deal is more about geopolitical positioning and managing relations with China than trade. It underscores Trump’s unorthodox approach, potentially prompting the EU and others to seek more genuine, binding global trade agreements, ironically rejuvenating globalization without the US at its center.
4. <https://www.ft.com/content/7a5ae30b-5e46-43e4-8a26-bdd35e71362c> - UK Chancellor Rachel Reeves emphasized the importance of strengthening Britain's trade relationship with the EU, which she described as 'arguably even more important' than its ties with the US. Speaking ahead of a key EU-UK summit on May 19, Reeves advocated for a reset in EU relations, proposing a youth mobility visa scheme and regulatory alignment to ease trade barriers. With the EU accounting for 41.2% of UK exports compared to 21.2% to the US in 2023, Reeves and Prime Minister Keir Starmer aim to secure greater access for professional services, touring musicians, and agricultural goods. While also engaging in trade talks with the US, including potential tariff reductions, UK officials are cautious not to jeopardize EU market access, especially in food exports. The summit is expected to yield a defence and security pact, alongside negotiations on trade and mobility. EU leaders have responded positively to improved relations, signaling a new chapter in post-Brexit cooperation. The talks may include extending the existing fishing deal and developing a framework for future negotiations on a comprehensive trade package.
5. <https://www.reuters.com/world/uk/uk-rules-out-trade-deals-which-undercut-food-standards-2025-02-25/> - The UK government has declared it will not sign trade deals that undermine its food standards, specifically refusing deals which allow imports produced by methods illegal for UK farmers. Addressing the National Farmers' Union, Environment and Farming Minister Steven Reed emphasized that importation of products like hormone-treated beef would be prohibited, maintaining bans also held by the European Union. This stance includes reviewing trade agreements to ensure alignment with UK standards, protecting local farmers from unfair competition. NFU president Tom Bradshaw supported the decision, criticizing previous agreements that subjected British producers to inferior competition. Reed reassured that British farmers could compete if trade conditions were fair and balanced.
6. <https://www.ft.com/content/ab671907-51a5-4826-9204-68fdd0bdbd67> - Negotiators from the UK's Department for Business and Trade will begin talks on a US-UK trade pact in Washington DC. US President Trump suggested a comprehensive trade deal, while UK Labour leader Sir Keir Starmer envisioned a narrower economic partnership focusing on advanced technology to avoid contentious issues like US agricultural product access. A modest pact might resemble Trump's digital trade deal with Japan or the UK's technology collaboration with India. Key benefits for the UK include avoiding US tariffs and strengthening industrial and technological cooperation. Critical sectors involved are pharmaceuticals, cars, power generators, and high-end science. Potential US demands include broader access to UK markets, technology regulation alignment, and enhanced cooperation against China. The deal could strain EU-UK relations, as aligning with US standards may conflict with EU agreements. Analysts emphasize the importance of prioritizing trade relations with the EU over the US due to the significant volume of UK-EU trade.
7. <https://www.ft.com/content/21b2fcc5-bfe8-4b27-adab-702c4eb0f0c4> - Brexit continues to have a significant and adverse impact on Britain's trade with the EU, according to research by Aston University. The study found that annual exports to the EU are 17% lower, and imports are 23% behind where they might have been without Brexit. The effects have worsened through 2023, stifling the UK's trade competitiveness. Conducted by Professor Jun Du, the report highlights the ongoing bureaucratic barriers affecting trade and suggests that larger companies in sectors like autos and aerospace are more resilient. The research calls for more ambitious government efforts to improve trade relations with the EU, including regulatory alignment and specific sectoral negotiations. Pro-EU groups advocate for rejoining the EU single market, but the Labour Party has ruled this out, focusing instead on other strategies to reduce trade barriers. The findings emphasize the need for urgent action to prevent further economic decline, urging the government to leverage digital technologies and streamline border processes to mitigate Brexit's impacts.