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Diagnosing and Deterring Coercive Chinese Agricultural Trade Restrictions

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KEY TAKEAWAYS

- Beijing is increasingly deploying agricultural import restrictions for geopolitical ends. Out of 26 coercive trade restrictions identified since 2010, 15 have occurred since 2020 and five occurred in 2025 alone.
- U.S. policymakers can diagnose agricultural risk exposure through three metrics: product-level export dependence on China, China's share of global imports for relevant products, and the industry's size relative to the total national economy.
- Specific response measures depend heavily on the unique dynamics of a given agricultural sector, and can include diversifying into new markets, upgrading agricultural value chains, and, when necessary, growing different crops entirely.
- Actionable steps for the U.S. government include incorporating de-risking measures into U.S. Department of Agriculture (USDA) export promotion mechanisms, supporting a shared agriculture transparency framework under the U.S. G20 presidency, adjusting crop subsidies to avoid market distortions in geopolitical risk pricing, and reining in U.S. use of tariffs as a geopolitical lever.

BACKGROUND AND CONTEXT

China's leaders are increasingly willing to leverage the country's powerful, globalized economic ties for geopolitical ends. Blocking access to China's agricultural market has become a first-line response—by some assessments, the **most common mechanism** Beijing uses to pressure other governments into adopting its preferred policy positions. This strategy works by cutting a country's agriculture producers off from China's $207 billion agricultural imports market, straining exporters' financial positions and pressuring policymakers to change course.

Of the **26 such incidents** identified since 2010, 15 have occurred since 2020, and five took place in 2025 alone—more than any other year on record. Moreover, incidents in recent years have covered an increasingly large set of trade flows. This reflects both the breadth of restrictions targeting the United States in response to trade war tariff hikes and more expansive actions taken against other economies, such as Australia, Taiwan, Japan, and the European Union.

Coercive trade restrictions impose a steep cost on U.S. farmers. After China launched retaliatory tariffs against a range of U.S. products in 2025, total U.S. agricultural exports to China fell by **$15.9 billion** relative to the prior year—a 63 percent drop. Exporters redirected some of this lost trade to other countries but could not recoup other lost opportunities, contributing to a **2.6 percent contraction** in total nominal U.S. agriculture exports.

LEGISLATIVE AND POLICY IMPLICATIONS

Congress can improve the U.S. agricultural sector's resilience to geopolitical risk in three ways.

- **Continue to support existing programs that facilitate agricultural market diversification.** The USDA's **Market Access Program, Foreign Market Development Program**, **GSM-102 Export Credit Guarantee Program**, and related initiatives help ease switching costs. Congress should tailor them to industries with high risk exposure and ensure their risk pricing mechanisms factor in geopolitical risks.
- **Adjust subsidies that incentivize concentrated export dependence on China**. **Nearly 80 percent** of insurance premium agriculture subsidies flow to corn, soybeans, cotton, and wheat, partly due to a lack of comparable programs for many non-commodity crops. By expanding **Whole Farm Revenue Protection** coverage and specialty crop insurance options, U.S. policymakers can create a more level playing field for non-commodity crops and avoid incentivizing a cash-crop market structure that remains highly reliant on Chinese buyers.
- **Design emergency relief packages to ensure agricultural markets internalize risks of high dependence on China**. After Chinese retaliatory tariffs shut out U.S. agriculture exporters in **2018** and again in **2025**, the USDA's ensuing relief programs did nothing to change incentive structure

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RECOMMENDATIONS

- Increase support for USDA export promotion and market diversification programs, particularly for soybeans and other industries with heavy reliance on Chinese consumers.
- Direct the USDA to create a geopolitical risk assessment dashboard for U.S. agriculture exports that assesses product-level export dependence on China and other potentially risky markets, importer market concentration for global imports of each respective product, price dynamics of alternate markets, and upstream value chain dependencies (see Figure 1 below).
- Expand Whole Farm Revenue Protection coverage and insurance coverage for specialty crops to ease diversification away from China-dependent commodity crops.
- Link future crisis relief packages to measures that promote de-risking and export market diversification.
- Consider legislation to require greater congressional oversight over executive branch tariffs and tariff threats.

underlying these markets. Policymakers should link future relief packages to measures that encourage market diversification to ensure future industry decisions are responsive to geopolitical risk.

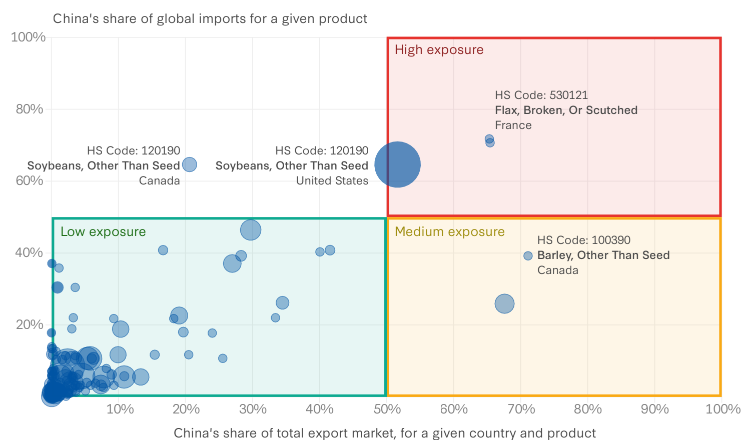
CHALLENGES AND RISKS

Washington's own use of tariffs and tariff threats undercuts its ability to lead coalitions against Chinese coercion. Groups such as the **G7 Coordination Platform on Economic Coercion** and coalitions of the willing within larger forums like the WTO offer platforms for providing relief and pursuing restitution against coercive threats, but aggressive U.S. behavior has made it politically difficult for other countries to support the use of these mechanisms against Chinese actions. This incentivizes further coercive threats from Beijing, which reasons it is less likely to be penalized by the broader international community.

Congress should play a more active role in reining in unpredictable U.S. threats of market access restrictions to avoid alienating the trading partners on which the United States relies. The exclusive authority of Congress to regulate tariffs is **rooted** in the Constitution's "power of the purse" clause, and the Trump administration's recent bevy of tariff actions rely on laws that delegate this authority to the executive branch in specific circumstances. The recent **IEEPA Supreme Court ruling**—which found that the Trump administration had exceeded its legal authority in levying broad "reciprocal tariffs" in 2025—provides an opportunity for Congress to restore its historical role in trade policy.

Figure 1: Market Dependence Increases Exposure to Coercion

Top agricultural exports by HS code in G7 countries, 2024



Source: Trade Data Monitor.

ADDITIONAL RESOURCES

Hugh Grant-Chapman, Moon Nguyen, and Philip Luck, "Bitter Harvest: Diagnosing and Deterring Chinese Coercive Agricultural Trade Restrictions," CSIS, May 18, 2026, **https://www.csis.org/analysis/bitter-harvest-diagnosing-and-deterring-chinese-coercive-agricultural-trade-restrictions**.

Hugh Grant-Chapman, "How Might the Trump-Xi Summit Impact U.S. Farmers?," CSIS, *Commentary*, May 13, 2026, **https://www.csis.org/analysis/how-might-trump-xi-summit-impact-us-farmers**.

Philip Luck, Hugh Grant-Chapman, and Moon Nguyen, "When a Trade War Becomes a Food Fight," CSIS, *Commentary*, October 21, 2025, **https://www.csis.org/analysis/when-trade-war-becomes-food-fight**.

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