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Written by Veronika Kyrylenko on September 24, 2026

Trump’s Diesel Fix: Lower Prices Now, Shortages and Controls Later?

The Trump administration is considering a ban on U.S. diesel exports in an effort to bring down record fuel prices.


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The idea is simple: keep more diesel at home. The result, however, could eventually be less fuel, not more, with higher costs rippling through trucking, farming, air travel, and consumer prices, while inviting still more government intervention and control.

Political Pressure Meets the Pump

Soaring diesel prices have become a political problem for Republicans in farm states and competitive midterm races.

On Tuesday, President Donald Trump said he supported restricting exports. Investing.com quoted him saying:

> I’ve said let’s not send out the diesel. We make a lot of diesel … I’ve called for it. I’ve called for it within my people.

The outlet also noted:

> U.S. Treasury Secretary Scott Bessent, speaking at the same meeting, said the administration was examining whether such a ban was feasible and whether a full or partial ban would work.

The next day, *Politico* reported that the White House was preparing a plan for a 90-day ban on U.S. diesel exports, citing five people familiar with the discussions.

The urgency is easy to understand. According to the outlet:

> The war that the Trump administration launched against Iran in February, as well as Ukraine’s attacks against Russian refineries, have boosted diesel prices to record highs and caused farm-state Republicans to demand the ban. The average price for a gallon of diesel was $6.52 Wednesday, up 91 cents from a month ago and $2.83 from last year, according to AAA.

The proposed solution is equally simple: Keep diesel that would otherwise leave the country at home, increase domestic supply, and thus try to push prices down.

"Dammit, Something Has to Happen"

Politico described a sharp internal struggle. One industry executive familiar with White House discussions said the faction demanding immediate action had overwhelmed those warning about longer term consequences:

> "What has overpowered cooler heads [in the White House] is the absolutely, sky-is-falling, we-have-to-do-something concern about prices at the pump" faction, said this person.… "That camp has been swept aside by the political camp, which says, 'dammit, something has to happen.'"

According to *Politico*, Trump was inclined to announce a ban and regard any later consequences as "a December problem." In other words, the immediate political benefit could take priority over the longer-term economic consequences.

But the administration publicly disputed the report. A White House official called it "another fake news story from Politico." Reuters, likewise, reported that the White House denied preparing a 90-day export ban.

The disagreement appears to extend inside the Cabinet.

Wright Warns the Ban Could Backfire

Energy Secretary Chris Wright, a longtime oil and gas executive, publicly opposed a blanket export ban. The *Politico* report quoted him saying on Wednesday,

> The blunt tool of banning diesel exports definitely doesn't work because the U.S. exports a lot of diesel.

He then explained why:

> That same refinery that produces diesel also produces gasoline and jet fuel. So, if you can't export the diesel that comes out of our refineries when you run out of places to store it, [then] you have to reduce U.S. refining, which would put upward pressure on gasoline prices and jet fuel prices.

Wright then suggested the administration could instead seek "voluntary" adjustments in export flows.

He reiterated the idea to *The Wall Street Journal*.

The distinction matters. A formal ban would directly block exports. A "voluntary" arrangement could still place substantial federal pressure on refiners to redirect fuel, depending on how it is structured.

Politico reported that Wright, Bessent, and Interior Secretary Doug Burgum had all opposed a total ban.

The Geography Problem

The American Petroleum Institute is making much the same argument. API President Mike Sommers said Tuesday:

> Restricting U.S. energy exports would only compound the problem, exacerbating refining challenges and ultimately hurting consumers.

The deeper problem is geographic.

About 55 percent of U.S. refining capacity sits on the Gulf Coast. Those refineries produce far more diesel than the region consumes, so much of the surplus goes overseas.

The East Coast has the opposite problem. It has relatively little refining capacity and depends partly on imports. API estimates that imports supply about 10 percent of East Coast diesel demand.

A barrel stranded in Texas therefore does not automatically become a barrel available in Pennsylvania.

Pipelines, storage limits, shipping constraints, and refinery configurations all restrict how easily fuel can be redirected from one region to another.

That is why API further warns:

> Restricting U.S. diesel exports would wreak havoc on fuel markets at home and abroad, destabilize refinery operations and deepen a global refining crisis already putting upward pressure on U.S. prices.

The Havoc Is Already Here

And Americans are already living through the havoc.

Diesel powers tractors, combines, freight trucks, construction equipment, delivery fleets, and much of the machinery that keeps the economy moving. Record prices therefore reach far beyond the pump. They squeeze farmers and truckers, raise freight costs, and work their way into food, construction, manufactured goods, and household expenses.

And this was not a result of some unavoidable natural disaster.

Much of the disruption is tied directly to war and government policy.

The U.S.-Israeli war on Iran has disrupted oil flows and refining capacity across the Middle East. Ukrainian attacks have damaged Russian refineries, while Russia has restricted diesel exports. Middle Eastern diesel shipments to Europe are heading toward a six-year low, and European diesel prices have surged.

U.S. refiners have stepped in to fill part of the gap, sending roughly 1.5 million barrels of diesel abroad each day this year, according to S&P Global.

Now Washington is considering restricting those exports in response to a shortage produced in significant part by wars and policies in which governments themselves played a central role.

And It Can Get Worse

The worst case begins with apparent success.

A ban keeps more diesel at home, prices fall, and Washington claims victory.

Then storage fills.

S&P Global estimates that a complete export ban could strand about 1.5 million barrels of diesel per day inside the country. Refiners could then be forced to cut throughput by roughly 1.9 million barrels per day, about 12 percent of total U.S. refining capacity.

And, again, refineries do not make diesel alone. Less refining means less gasoline, less jet fuel, and fewer other petroleum products.

The consequences would spread quickly. With less fuel entering the market, supplies would tighten and prices would rise.

The alternative is hardly painless. If Washington leaves the market alone while the war drags on, diesel prices could remain extremely high as global supplies stay tight and U.S. inventories remain depleted.

Then comes the darker question: How would Washington respond if tight supplies turned into actual shortages?

America has used fuel allocation, priority access, rationing, conservation mandates, and consumption restrictions before.

A severe shortage could revive the same logic. First restrict exports. Then define “essential” users and decide who gets fuel. Subsidize those priced out. Then impose new limits to suppress demand.

Each measure would no doubt be sold as temporary. But each would give government more power over movement, commerce, and daily life.

That is the real danger of the policy spiral.

Government actions helped destabilize the energy system. Another intervention could deepen the shortage. The resulting crisis could then become the justification for still more intervention.

At that point, the shortage would no longer be just an economic problem. It would become another fixture in a growing system of control.

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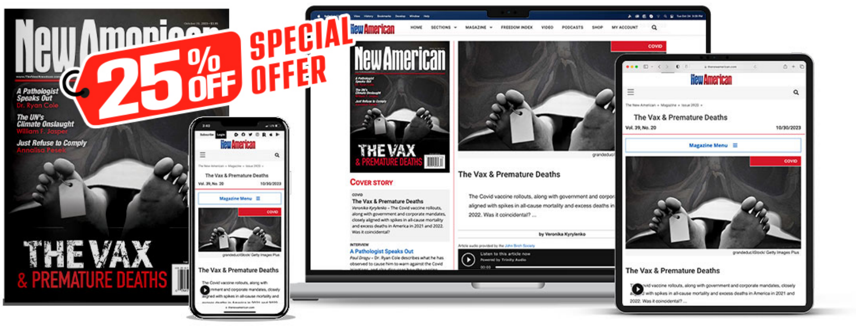

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