Global Tech. Leadership

Battleground USA: National coal regulations and steel industry trends as the prologue to the 2016 Presidential Election

James Tanoos, PhD
Unit 1 – Influence on 2016 Election Overview and Initial Events of the Power Shift in the White House

Trump vs. Clinton: Both Platforms Concerning Coal
Battleground States in the Rust Belt Sway Election
Obama Fought to Reduce Coal Emissions
Union Leaders Fought Against Clean Air Act

Unit 2 - Obama’s Clean Power Plan and Lack of Rust Belt Jobs Fueled Debates, Gave Trump a Winning Topic

EPA vs. The Coal Industry for Cleaner Air
Obama and EPA Limit Carbon Pollution; Plants Close
Shutdowns Spark Republican Platform for Debates
Coal Played a Key Role in Battleground States; Media Downplayed
Unit 3 – Ongoing Conflict Between Environmentalists and Coal Industry Job Creation Advocates

The Rise and Fall of the Rust Belt
The “Pocketbook Issue” of Coal
Promise of Job Creation Brings Record High Voters
Clean Energy Being Sought, Uncertain Future
Influence on 2016 Election Overview and Initial Events of the Power Shift in the White House
In Retrospect, what was the pivotal talking point in the 2016 Presidential Election?

• Did Obama’s mission to promote clean air prompt America’s shift to the right?

Understanding what effect job creation vs. climate change can have on the US

• Understanding why there is so much opposition against shutting down coal fired facilities
PRE-ACTIVITY

Was Hillary Clinton wrong to want to continue Barack Obama’s mission to promote the Clean Air Act?

Was she maybe pressured by her party to do so?
Could she have approached the issue differently?
The coal energy issue was the subject of debate and an area of diametric difference in policy stances between the two major US presidential candidates during the 2016 presidential election season.

**Trump** painted the Obama administration as anti-coal and the EPA mandates enacted by Obama as a travesty that cost a lot of jobs for Americans and closed too many factories.

**Clinton** defended the Obama administration’s policies and claimed that many states already had and should voluntarily shift usage of energy to cleaner, more sustainable models.
Battleground States in the Rust Belt Sway Election

What Swayed the 2016 Election?

• Coal was considered to be a regional issue specific to the Midwest-US geographic region and did not garner much national attention or merit much discussion in the televised presidential debates or in the national press. However, Clinton lost in all five of the following electorally heavy states:
  ✓ Pennsylvania
  ✓ Michigan
  ✓ Wisconsin
  ✓ Indiana
  ✓ Ohio
Obama Fought to Reduce Coal Emissions

- During his two terms in office, US President Barack Obama increasingly advocated for more sustainable and environmentally friendly energy sources.
- This policy stood in contrast to the traditional US source of power: coal.
- Coal is less “clean” because it releases more harmful emissions than other resources such as natural gas or oil.
- In recent decades, it has been deemed an “environmentally destructive industry” due to the carbon dioxide emissions from its burning (Goodell, 2007).
Union Leaders Fought Against Clean Air Act

1970 - Clean Air Act

- Obama’s Clean Air Act was actually a seminal environmental guideline expanded in 1970
- Various factions have been vehemently opposed to this policy, particularly union leaders in the coal industry
- Union leaders have rallied in opposition to the 2011 EPA regulations that limit the industry’s ability to function
Institution

On New Year’s Day in 1970, President Richard Nixon appeared in San Clemente, California, for the momentous signing of the National Environmental Policy Act (Hao, 2017).

Americans have gained 336 million life-years since the Clean Air Act was passed in 1970, according to researchers at the University of Chicago (Lott, 2016).
POST-ACTIVITY

When President Nixon originally signed the National Environmental Policy Act, he did so reluctantly...

Would Nixon sign in today’s world? Would he be pressured by his party or by the coal industry to refuse signing?
Obama’s Clean Power Plan and Lack of Rust Belt Jobs Fueled Debates, Gave Trump a Winning Topic
Lack of Jobs Fueled Debates, Gave Trump Win

**OVERVIEW**

- What motivated Barack Obama to declare such a drastic change of environmental policy?
- Was it necessary to pit climate change and job creation against each other?

**COMPETENCIES**

- Understanding how Obama’s Clean Power Plan influenced the minds of voters
- Understanding how the shutdown of many coal fired facilities gave Trump a leg up in the 2016 election
Part of Obama’s Clean Power Plan was the Cross-State Air Pollution Rule, which mandated a reduction in the amount of power plants emissions that are carried by the wind.

This legislation required coal plants in the Midwest to reduce various emissions.

The EPA predicted that this legislation would cut 2017 emissions levels by 20% from prior levels (Jeffrey, 2016).

The coal industry claimed that overall consumer energy costs would skyrocket.
EPA vs. The Coal Industry for Cleaner Air

Map: States covered by the Cross State Air Pollution Rule

Image: http://appvoices.org/2014/04/30/like-a-good-neighbor-the-supreme-court-is-there/
EPA vs. The Coal Industry for Cleaner Air

**Mercury and Air Toxics Standards of 2012:**
- Controversial EPA Act
- Heavily limited emissions from power plants, especially coal and oil-based plants
- Struck down by Supreme Court because EPA had not considered the cost of implementation

President Obama issued call to action

- In a June 2013 speech, Obama outlined his “climate action plan”
- This plan included goals to make it difficult to build new coal-fired power plants (Felsenthal, 2014; McCubbin, 2014).
- As a result, by 2015, around 200 coal-fired power plants operating in the US had either closed or announced plans to shut down (Frazier, 2015).
Clean Power Plan thwarted

- Obama and the EPA’s Clean Power Plan was said to “have an uneven impact on the energy industry, boosting…some regions…while biting others” (Smith & Miller, 2015).
- Critics claimed that national coal production would decrease by 242 million tons as a result
- The Supreme Court ruled against the Clean Power Plan in February of 2016, temporarily blocking it from being implemented
- As of 2017, it was still being litigated in court (Gilmer, 2017).
Shutdowns Spark Republican Platform for Debates

• The debate over coal became heated, as it escalated during the lead-up to the 2016 US Presidential election
• The Clean Power Plan itself drove political rhetoric around the coal issue
• The coal issue was one of the few policy issues on which each candidate’s stance diverged diametrically (Kerrigan, 2017; Rushefsky, 2017).
Republicans claimed that the Clean Air Act exceeded the power of the president and was thus illegal.

Vice Presidential candidate Mike Pence, said of the Clean Power Plan: it is “ill-conceived and poorly constructed” and that voters “don’t want a president who promises to put a lot of coal miners and coal companies out of business”

Democratic nominee for US President, Hillary Clinton’s policy was to adopt and uphold the Clean Power Plan.

During her campaign, in March of 2016, presidential candidate Clinton bluntly said, "We are going to put a lot of coal miners and coal companies out of business. … Now we’ve got to move away from coal and all the other fossil fuels"
The issue of coal played a pivotal role in the election

- Midwest labor was the main faction that strongly opposed the Clean Air Act’s 1970 federal mandate (Billings, 2014).
- In the 2016 presidential election, the issue of coal played a key role in 13 of the 17 “Battleground States,” or states that don’t always have a tendency to go one way or the other, democratic majority or republican majority, in the presidential election.
- Climate change/coal was the #1 issue where the candidates differed, but it simply didn’t garner much national attention.
Ongoing Conflict Between Environmentalists and Coal Industry Job Creation Advocates

Unit 3
Institution

• What exactly caused the Rust Belt to decline in manufacturing capacity?
  • Will the future of environmental policy slow climate change?

OVERVIEW

• Understanding the emotion of the American voter who have or have known someone close to them who lost a job
• Understanding that Rust Belt politicians are attempting to make changes

COMPETENCIES
PRE-ACTIVITY

Which is more influential on the loss of jobs in the Rust Belt?

Is the outsourcing of jobs to other countries to blame? Or, are environmental regulations causing more job losses?
The Rise and Fall of the Rust Belt

• The Rust Belt, also referred to as the Manufacturing Belt, consists of Midwest states, generally from Iowa to Pennsylvania.

• It became an economic powerhouse in the twentieth century due to America’s dependency on coal which was “cheaply fueling the factories of the Rust Belt and lighting up homes across the country” (Davenport, 2013).

• The decline of US manufacturing has been specifically intertwined with outsourcing and job loss attributed to plant closings in these communities.

• “America had never seen such a devastating loss in jobs, taxes, industry, and economic hope in such a large geographic region” (Skrabec, 2015).
The “Pocketbook Issue” of Coal

The Rust Belt constituted 101 of 538 total electoral votes during the 2016 Presidential election.

70 of those 101 electoral votes were from Battleground states.
Coal has been a particularly widely-used source of energy in the Rust Belt states of Indiana and Ohio. During the 2016 elections, coal accounted for 69% of the electricity produced in Indiana, supporting 46,700 jobs and $11.2 billion in economic activity there (America’s Power, 2016). At the same time, coal also accounted for 60% of the electricity produced in Ohio was deemed to be at an “energy crossroads” and “dominating debate” during the recent presidential election cycle (Brown, 2017). Because of the effect of Obama’s energy policies on energy costs in the Rust Belt, coal was said to be a “pocketbook issue”, or an issue that affected voter budgets, in the lead-up to the election (Jarrett, 2016).
Promise of Job Creation Brings Record High Voters

- Trump’s campaign promises about American restoration are thought to have resonated most in the Rust Belt where citizens especially gravitated toward Trump due to his focus on a “decline in manufacturing” and “a fraying of social cohesion” (Davis & Miller, 2016).
- Many attributed the unusually high voter turnout in the presidential election in these areas to the coal issue.
Promise of Job Creation Brings Record High Voters

Promises proved pivotal for Trump’s win

- Trump won all five Battleground states in the Rust Belt
- The Pennsylvania and Michigan majority voted Republican for the first time in 28-32 years; Pennsylvania since 1988 and Wisconsin since 1984
- Many political scholars attribute Trump’s victories in those five states in part to his campaign promises to rollback coal regulations mandated in the Clean Power Plan
Clean Energy Being Sought, Uncertain Future

Trump has fulfilled promises that retract Obama’s environmental regulations

Upon inauguration, President Trump quickly began fulfilling promises made during his campaign, as he swiftly reduced regulations in the coal-heavy steel industry (Judge, 2016).

In March of 2017, Trump enacted an executive order to remove environmental regulations and empower federal regulators to do away with the Clean Power Plan’s restrictions on U.S. carbon emissions.
Some scholars have claimed that leaders in the Rust Belt had actively been seeking cleaner energy sources for decades since the shift from manufacturing to service.

There has been no analysis of the direction of coal trends in these states before the Obama-era EPA mandates, particularly in the Rust Belt states, as of yet.

Analysis should focus on trends before and after 2013, since the 2011 Act, which was the impetus of further anti-coal legislation, fully took effect in 2013.

A clear picture of macro coal usage in the years leading up to the anti-coal EPA regulations might further clarify whether future government mandates would be necessary or desirable as a means to prompt a shift toward more sustainable energy sources.
### Sum of Fugitive Air and Stack Air for Companies Emitting Carbon

<table>
<thead>
<tr>
<th>Year</th>
<th>Iowa</th>
<th>Illinois</th>
<th>Indiana</th>
<th>Michigan</th>
<th>Ohio</th>
<th>Pennsylvania</th>
<th>Wisconsin</th>
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<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
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<td>-</td>
<td>3,276,595</td>
<td>1,506,840</td>
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<td>767</td>
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<td>-</td>
<td>2,950,575</td>
<td>1,272,481</td>
<td>166</td>
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<td>-</td>
<td>3,303,696</td>
<td>1,213,842</td>
<td>346</td>
<td>5,322,458</td>
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<td>-</td>
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<td>1,155,143</td>
<td>390</td>
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<td>3,782,732</td>
<td>1,187,393</td>
<td>525</td>
<td>4,446,605</td>
<td>166,886</td>
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<td>-</td>
<td>3,566,794</td>
<td>1,102,555</td>
<td>436</td>
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<td>-</td>
<td>3,970,562</td>
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<td>-</td>
<td>3,714,092</td>
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<tr>
<td>Year</td>
<td>Iowa</td>
<td>Illinois</td>
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<tr>
<td>1987</td>
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<td>2009</td>
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<td>0.862</td>
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<td>Productivity/ Emissions</td>
<td>Before</td>
<td>After</td>
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<td>Pollution Efficiency Rate</td>
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<td>1.02142E-07</td>
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<td>81.9%</td>
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POST-ACTIVITY

Were states in the Rust Belt decreasing their coal emissions before the EPA mandates, rather than after the EPA effectively shut down coal operations?

Furthermore, are facilities being strictly enforced and/or heavily watched to ensure they do not falsify figures of emissions outputs?
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