Tighter regulation contributes to an environmentally dirty industry's economic decline, which reduces its political clout, which allows more regulation, further weakening the industry. Coal is prime example.

The coal industry's economic plight is well-known. Coal production is the lowest since a major strike 35 years ago. In fact, my colleagues at the business school report that coal use has dropped dramatically even in the past year, down over 25% from last year. In April, Peabody Coal filed for bankruptcy, joining most of the other major coal firms. The causes are cheap natural gas and tightening environmental regulations. From an environmental point of view, this is all to the good: coal is the most carbon-intensive fuel and causes thousands of American deaths a year through particulate pollution.

But economic weakness goes with political weakness. To begin with, a declining industry has fewer workers, which ultimately means fewer voters. In 1985, there were 180,000 coal miners in the United States. In 2015, the number was down to 60,000. This was partly due to decreased production and partly due to increased mechanization. Former miners and their families may stay loyal to the industry, but over time, the number of those supporters is bound to decline.

The decline of coal also means fewer industry allies. Coal used to account for half of electricity production; now it's down to a third. That means fewer utilities to fight on coal's behalf and less enthusiasm among those who remain. Trade associations like the Utility Air Regulatory Group (UARG) increasingly have members who don't care much about coal, the association's ability to act as a surrogate for the coal industry. I was at a conference recently where an coal industry lawyer complained about what an unreliable ally UARG is. At the same time, a recent report shows that the coal industry's own lobbying associations are in decline, indicated by decreasing funding (not surprising given all the bankruptcies) and fewer supporters from other industries.

The decline of coal is also linked with strengthening of competitors like natural gas producers and renewables companies. Tighter regulations of the coal industry are actually in their interests, and of course renewable producers have a stake in reducing fossil fuel use generally. My colleague Eric Biber has written about the positive feedback between clean energy policies and political support for those policies, with the policies fostering a stronger renewable industry which then lines up to support even stronger policies. Thus, as coal grows politically weaker, its economic competitors get stronger, and their regulatory interests may often oppose coal's.

This is good news for the environment. One of the reasons that the Waxman-Markey climate bill died in the Senate is that coal interests undercut support even from Democrats. Coal is in a weaker position today to fight against regulation, and that trend will only continue.