

The GOP used to be synonymous with big business. But there seem to be growing divisions – divisions that may open the way to new environmental initiatives.

In April, the Washington Post ran a [story](#) about the U.S. Chamber of Commerce's decision to loosen its ties to the GOP and move toward a more bipartisan stance. The move was partly motivated by the growing distance between the business community and the Trump-era GOP on issues like immigration and international trade. But it was also motivated by concern about policy instability produced by large pendulum swings in political party control, which create costly uncertainty for businesses. The Chamber's current view of climate change is that "inaction is not an option," though it is vague about what action it supports.

The distancing between the business community and the Trump Administration has popped up in other ways. For instance, the automobile industry has stubbornly refused to endorse the Administration's rollback of Obama-era fuel efficiency standards, which go far beyond what the industry itself requested. According to [Resources](#) magazine,

"Auto companies may not save much from weaker regulation, and they have much to lose. For one thing, the US market constitutes about one-fifth of the global market and one-quarter of all vehicles subject to fuel economy or greenhouse gas standards worldwide. Consequently, even with weaker US standards, the companies must still achieve standards set by other countries; weakening US regulations is likely to have only a modest effect on the global standards the companies face and the costs of meeting them. For another thing, the companies may already have committed to plans to meet the current, stricter standards into the early 2020s."

In fact, some of the major car companies struck a deal with California, in which they agreed to comply with California's more rigorous standards in return for some minor concessions.

Similarly, the utility industry has opposed the Administration's efforts to vacate a finding that regulating mercury emissions from power plants is "necessary and appropriate." From the industry's point of view, there's little point, since the industry has long since complied with the air pollution regulations based on that finding. Nor have utilities been swayed by Trump's demands to elevate coal and avoid use of renewables –market realities are pointing the other way.

Changes within the utility industry are also reflected in the decisions of some major utilities to leave the Utility Air Regulatory Group (UARG), which has been a major opponent of air pollution and climate change regulations. [E&E News](#) reported that the eight utilities that have left UARG accounted for a quarter of its budget. The motivations were well explained by Duke Energy, which said that as the company “transforms for a smarter energy future and transitions our generation fleet, we continuously assess our membership in industry groups to ensure that they support our customers’ expectations for reliable, affordable and increasingly clean energy. . . . During this review, we ceased our membership with UARG.” The end result was that UARG closed up shop entirely.

The Administration’s climate denial also puts it at odds with most major corporations. Trump’s decision to leave the Paris Agreement was opposed by many corporations, including giants such as Apple, Google, and even Exxon. Many corporations are taking steps to reduce their own carbon emissions and even those of their suppliers. “We’re Still In” — the pledge to support the Paris Agreement and cut their own emissions — attracted support from major pillars of the business community.

There are multiple reasons why business and the Trump Administration are growing apart. Trump – and the GOP base – are strongly attached to the Old Economy of domestic heavy industry and resource extraction. Much of the economy is now based on information technology, services, and international trade. The interests of businesses in those sectors do not necessarily fit Trump’s priorities. Moreover, economic growth is increasingly concentrated in major urban areas, not in the countryside where Trump is strongest. Business can also see that pressure for climate regulation is building. Rather than fight the trend, it makes more sense for them to adapt to it. They can also see that it is futile to assume that one side of the political spectrum will always be in power. If they fail to build ties to the other side, they will have little voice during political pendulum shifts. Finally, it has become increasingly clear that fighting national regulation to the death merely shifts the regulatory action to the states, leaving business with a patchwork of regulations.

Perhaps it was inevitable that the GOP’s fusion with business interests would develop cracks. Business itself is not monolithic, for one thing, and the interests of extractive industries have increasingly diverged from other sectors of the economy. But more importantly, the alliance between social conservatives and the business community was always an uneasy one, which functioned as long as it did because social conservatives were willing to let business interests control economic policy while they had control over social issues. Trump’s ascendancy represents the collapse of that division, as increasingly nativist and nationalist forces took control of the party.

Whatever the reasons, the stresses within the business-GOP alliance change the political landscape in what may be a very useful way. It would be an obvious mistake to think that big business will embrace the progressive wing of the Democratic Party. But the repositioning of business interests creates space for different kinds of coalitions that weren't possible in the past. That may in turn open the door to some creative legislative actions that previously weren't on the national agenda.