

Title:

Coal Helps America Through Power and Jobs

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383

Summary:

You may not realize it, but the coal industry plays a large part in the U.S. economy.

Keywords:

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Article Body:

You may not realize it, but the coal industry plays a large part in the U.S. economy.

One major way coal affects the economy is through electricity. The majority of America's electricity comes from coal. So when coal prices are low, like they are right now, electricity is cheaper and the lower prices spur economic growth.

Electricity is a crucial part of American life. In fact, it is a \$200 billion a year commodity, making it the largest commodity in the United States.

When the prices for large commodities, like electricity, stay low or go down, inflation stays low. So, commodity price fluctuations prove to be strong economic indicators.

The lower electric rates from low coal prices can affect inflation rates now and in the future. And low interest rates can help protect the savings and investments of millions of Americans.

In addition, new technology is linked to electricity usage and thus the economy. The increasing purchase and use of technological advances, like computers, cell phones and personal data organizers, greatly increases consumption of electricity from coal. Therefore, when consumers purchase these items, they drive the economy in two ways: with their purchase and with their electricity usage.

America's need for electricity from coal can also be seen in the almost direct relationship between electricity use and economic activity. For example, every 1

percent increase in the gross domestic product has caused about a 1 percent increase in electricity demand.

In addition to electricity, coal affects the economy through job creation, revenue and taxes. The coal industry and related business have created more than 90,000 jobs in the United States alone and almost 1 million jobs worldwide.

Thirty-seven billion dollars, or nearly 1 percent of all the earnings of Americans, comes from coal-related work.

The value of coal produced in the United States each year is nearly \$18 billion. Coal mining has a combined direct and indirect impact of \$161 billion annually on the U.S. economy. This is \$596 for every U.S. citizen.

California and New York are two of the states benefiting most from coal, yet they are not home to any coal mining. In fact, every U.S. state benefits economically from coal.

Coal businesses pay more than \$11 billion in federal taxes each year. Nine billion dollars in coal revenues go to state and local governments annually.