Log file of replicating the results in the appendix

Executing the Benchmark case CES = 1.5 wage price\_d price\_c

0.4847 0.5618 0.6602

ld ls outlhs outrhs out

0.9823 0.9817 0.2960 0.2953 0.0000

gamma = 0.93

Whole Distribution

Firm Size: Model vs Data

0.5081 0.2293 0.1099 0.1264 0.0263 0.4698 0.2797 0.1290 0.1020 0.0195

Employment Size: Model vs Data

 0.1066
 0.1343
 0.1446
 0.4090
 0.2055

 0.0864
 0.1611
 0.1655
 0.3501
 0.2369

Polluting Sector

Firm Size and Employment Share

0.4372 0.2596 0.1234 0.1525 0.0273

0.0856 0.1270 0.1354 0.4456 0.2064

Non-polluting Sector

Firm Size and Employment Share

0.5250 0.2221 0.1067 0.1202 0.0261

0.1129 0.1365 0.1473 0.3981 0.2052

Average Tax =

0.1300

Yd, Yc, Y, Yd\_share

0.5661 1.9123 1.3784 0.2012

Clean Share

0.5618

Executing the no-dirty tax case CES = 1.5

wage price\_d price\_c

0.5430 0.4774 0.6756

ld ls outlhs outrhs out

0.9838 0.9843 0.4066 0.4071 0.0000

gamma = 0.93

Whole Distribution

Firm Size: Model vs Data

	0.2227 0.2797		0.1498 0.1020						
	0.1121	0.1244	0.4879 0.3501						
Firm Size and	Polluting Sector Firm Size and Employment Share 0.3001 0.2215 0.1306 0.2077 0.1401								
			0.2490						
Non-polluting Firm Size and 0.5265	Employmen	nt Share 0.1076	0.1431	0					
0.1173	0.1419	0.1540	0.5868	0					
Average Tax = 0.1186									
Yd, Yc, Y, Yd 0.7622		1.4581	0.2232						
Clean Share 0.7310									
Executing the wage price_d 0.7756			1.5						
ld ls outlhs 0.9924			0.2955	0.0000					
gamma = 0.93 Whole Distribution Firm Size: Model vs Data									
	0.2095 0.2797	0.1259 0.1290	0.2427 0.1020	0.0626 0.0195					
	0.0520		0.4203 0.3501	0.4259 0.2369					
Polluting Sector Firm Size and Employment Share 0.3044 0.2241 0.1339 0.2735 0.0641									
0.0256	0.0472	0.0628	0.4381	0.4264					

```
Non-polluting Sector
Firm Size and Employment Share
    0.3726
              0.2059
                        0.1240
                                             0.0623
                                  0.2352
    0.0341
              0.0534
                        0.0717
                                  0.4149
                                             0.4258
Average Tax =
Yd, Yc, Y, Yd_share
    0.7340
              2.4848
                        1.7901
                                  0.2008
Clean Share
    0.8380
Executing benchmark case CES = 3.0
wage price_d price_c
    0.4212
              0.5285
                        0.7260
ld ls outlhs outrhs out
    0.9824
              0.9818
                        0.3518
                                  0.3520
                                             0.0000
gamma = 0.93
Whole Distribution
Firm Size: Model vs Data
    0.5066
              0.2302
                        0.1104
                                  0.1476
                                             0.0053
    0.4698
              0.2797
                        0.1290
                                  0.1020
                                             0.0195
Employment Size: Model vs Data
              0.1341
                                  0.5613
    0.1059
                        0.1445
                                             0.0543
    0.0864
              0.1611
                        0.1655
                                  0.3501
                                             0.2369
Polluting Sector
Firm Size and Employment Share
    0.4341
              0.2589
                        0.1225
                                  0.1593
                                             0.0252
    0.0799
              0.1191
                        0.1264
                                  0.4702
                                             0.2045
Non-polluting Sector
Firm Size and Employment Share
    0.5258
              0.2225
                        0.1071
                                  0.1445
                                                  0
                                                  0
    0.1153
              0.1395
                        0.1510
                                  0.5943
Average Tax =
    0.1303
Yd, Yc, Y, Yd_share
```

0.6010

1.7082

1.1979

0.2039

## Clean Share 0.5648

Executing no dirty tax of	case CES =	3.0				
wage price_d price_c 0.4866 0.4618	0.7294					
ld ls outlhs outrhs out 0.9854 0.9853		0.6303	0.0000			
gamma = 0.93 Whole Distribution						
Firm Size: Model vs Data						
0.5008 0.2233						
0.4698 0.2797	0.1290	0.1020	0.0195			
Employment Size: Model v	vs Data					
0.0831 0.1049	0.1183	0.4077	0.2860			
0.0864 0.1611	0.1655	0.3501	0.2369			
Polluting Sector						
Firm Size and Employment						
0.2963 0.2177	0.1276	0.1956	0.1627			
0.0177 0.0325	0.0424	0.1914	0.7159			
Non-polluting Sector						
Firm Size and Employment	t Share					
0.5300 0.2241		0.1360	0			
0.1266 0.1530	0.1688	0.5516	0			
Average Tax = 0.1210						
Yd, Yc, Y, Yd_share						
0.9646 1.5279	1.2809	0.2856				
Clean Share 0.7437						
Executing no tax case CES = 3.0						
wage price_d price_c						
0.6740 0.5286	0.7260					
ld ls outlhs outrhs out						
0.9925 0.9923	0.3517	0.3517	0.0000			

gamma = 0.93

	le Distrib					
Fir		del vs Data				
	0.3592	0.2100	0.1259	0.2275	0.0775	
	0.4698	0.2797	0.1290	0.1020	0.0195	
Fmn <sup>-</sup>	lovment Si	ze: Model y	vs Data			
Linp.	•	0.0520		0 3722	0 1713	
	0.0864	0.1611	0.1655	0.3501	0.2369	
Pol	luting Sec	tor				
Firr	n Size and	Employmen <sup>-</sup>	t Share			
		0.2226		0.2119	0.1321	
	0.0232	0.0429	0.0565	0.2698	0.6077	
	77					
	-polluting					
Fir	n Size and	Employmen <sup>-</sup>	t Share			
	0.3741	0.2067	0.1244	0.2315	0.0633	
	0.0352	0.0553	0.0742	0.4092	0.4261	
Average Tax =						
AVCI	0					
Vd	Vc V Vd	chano				
ru,	Yc, Y, Yd		4 5557	0 2020		
	0.7802	2.2187	1.555/	0.2038		

Clean Share 0.8404

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Print the tables

Execute: generate\_tables\_appendix.m

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Table 4: Aggregate Impacts Upper (CES = 1.5)

	Polluting			Non-polluting		
Statistics	Benchmark	(i)	(ii)	Benchmark	(i)	(ii)
Output Price Revenue	100.00 100.00 100.00	129.64 99.97 129.60	84.99	100.00 100.00 100.00	129.94 100.00 129.94	98.03 102.34 100.32
#firms Mean Size	100.00 64.31	42.63 152.21	46.44 176.17	100.00 51.16	41.87 123.50	95.38 49.38
Pollution Intensity Clean Share	100.00 100.00 56.18	74.95 57.81 83.80	80.04 59.45 73.10			

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Table 4:	Aggregate	Impacts	Lower	(CES =	3.0)	
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1801e 4. Aggi egate 1111pacts Lowel (CL3 - 3.0)						
	Polluting			Non-polluting		
Statistics	Benchmark	(i)	(ii)	Benchmark	(i)	(ii)
Output Price Revenue	100.00 100.00 100.00	129.83 100.02 129.85	160.51 87.38 140.25	100.00 100.00 100.00	129.89 100.00 129.88	89.45 100.46 89.86
#firms Mean Size	100.00 68.36	41.50 166.29	48.19 214.24	100.00 50.16	42.30 119.84	89.24 46.09
Pollution Intensity Clean Share	100.00 100.00 56.48	74.69 57.53 84.04	89.60 55.82 74.37			=====