

Table 1: Baseline estimate, SO2 emission reduction, policy mandate, individual sector Reproduction of Recording Media”

	Dependent variable: SO2 emission					
	(1)	(2)	(3)	(4)	(5)	(6)
working capital _{cit}	-1.098 (1.085)					
current ratio _{cit}		-0.047 (0.318)				
cash assets _{cit}			5.802 (5.026)			
liabilities assets _{cit}				3.527 (3.698)		
return on asset _{cit}					-0.002 (0.199)	
sales assets _{cit}						-0.0002** (0.0001)
output _{cit}	0.036 (0.226)	-0.071 (0.119)	-0.246 (0.274)	-0.363 (0.226)	-0.196 (0.221)	-0.100 (0.170)
employment _{cit}	0.099 (0.084)	0.078** (0.034)	0.321** (0.132)	0.343*** (0.123)	0.054 (0.061)	0.106** (0.047)
capital _{cit}	0.462 (0.536)	-0.047 (0.232)	0.539 (0.648)	0.952* (0.569)	0.596 (0.488)	0.079 (0.300)
period × policy mandate _c	-2.749** (1.115)	-3.783 (3.165)	5.894 (4.186)	8.930*** (2.984)	-5.160* (2.718)	-1.344 (0.901)
period × working capital _{cit}	-0.985** (0.424)					
policy mandate _c × working capital _{cit}	-2.566*** (0.786)					
period × policy mandate _c × working capital _{cit}	2.439*** (0.607)					
period × current ratio _{cit}		-0.304 (0.417)				
policy mandate _c × current ratio _{cit}		-0.082 (2.308)				
period × policy mandate _c × current ratio _{cit}		2.258 (2.785)				
period × cash assets _{cit}			-5.806 (4.011)			
policy mandate _c × cash assets _{cit}			-8.278 (28.985)			
period × policy mandate _c × cash assets _{cit}			32.653* (18.791)			
period × liabilities assets _{cit}				0.704 (1.830)		
policy mandate _c × liabilities assets _{cit}				-35.852 (32.493)		
period × policy mandate _c × liabilities assets _{cit}				-19.162*** (5.990)		
period × return on asset _{cit}					-0.172 (0.194)	
policy mandate _c × return on asset _{cit}					0.487 (1.403)	
period × policy mandate _c × return on asset _{cit}					2.249 (1.582)	
period × sales assets _{cit}						0.0001 (0.0004)
policy mandate _c × sales assets _{cit}						0.0005 (0.0005)
period × policy mandate _c × sales assets _{cit}						0.0004 (0.012)
City	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes
Observations	280	541	211	211	280	440
R ²	0.740	0.711	0.807	0.820	0.737	0.751

This table estimates eq(3). Heteroskedasticity-robust standard errors clustered at the city level appear in parentheses. * Significance at the 10%, ** Significance at the 5%, *** Significance at the 1%.