Table 1: Baseline estimate, SO2 emission reduction, policy mandate, individual sector Metals

	Dependent variable: SO2 emission						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
$output_{cit}$	0.026	0.038	0.022	0.021	0.013	0.018	0.019
	(0.028)	(0.030)	(0.028)	(0.029)	(0.029)	(0.028)	(0.028)
$employment_{cit}$	0.017	0.015	0.016	0.017	0.019	0.017	0.017
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
$capital_{cit}$	−0.205	−0.184	−0.218	−0.237*	−0.239*	−0.219	−0.227
	(0.153)	(0.147)	(0.139)	(0.140)	(0.142)	(0.139)	(0.140)
period ×policy mandate$_c$	−0.498	−0.545	3.284	−0.436	4.659**	−0.400	−0.571
	(0.628)	(0.634)	(3.005)	(1.801)	(2.273)	(0.488)	(0.498)
period ×working capital$_{ci}$	−0.135						
	(0.162)						
period ×policy mandate$_c$ × working capital$_{ci}$	0.087						
	(0.110)						
period ×asset tangibility$_{ci}$		−0.384*					
		(0.209)					
period ×policy mandate$_c$ × asset tangibility$_{ci}$		0.241*					
		(0.142)					
period ×current ratio$_{ci}$			0.128				
			(0.252)				
period ×policy mandate$_c$ × current ratio$_{ci}$			−3.410				
			(2.585)				
period ×cash assets$_{ci}$				1.217			
				(1.609)			
period ×policy mandate$_c$ × cash assets$_{ci}$				−0.196			
				(7.078)			
period ×liabilities assets$_{ci}$					0.989		
					(1.051)		
period ×policy mandate$_c$ × liabilities assets$_{ci}$					−8.910**		
					(3.975)		
period ×return on asset$_{ci}$						0.013***	
						(0.001)	
period ×policy mandate$_c$ × return on asset$_{ci}$						−0.034***	
						(0.007)	
period ×sales assets$_{ci}$							−0.001
							(0.001)
period ×policy mandate$_c$ × sales assets$_{ci}$							0.001
							(0.001)
City	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,223	1,213	1,226	1,220	1,220	1,223	1,225
R^2	0.694	0.693	0.695	0.694	0.695	0.696	0.693

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