

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

	Dependent variable: SO ₂ emission					
	(1)	(2)	(3)	(4)	(5)	(6)
working capital _{cit}	−1.586 (0.977)					
current ratio _{cit}		−0.040 (0.099)				
cash assets _{cit}			8.405 (5.205)			
liabilities assets _{cit}				4.398 (3.080)		
return on asset _{cit}					0.021 (0.097)	
sales assets _{cit}						0.001 (0.003)
output _{cit}	0.297* (0.150)	−0.078 (0.078)	0.214** (0.089)	0.203** (0.077)	−0.057 (0.048)	−0.095 (0.078)
employment _{cit}	0.015 (0.031)	0.069*** (0.021)	−0.144 (0.100)	−0.121 (0.096)	0.064* (0.034)	0.048** (0.022)
capital _{cit}	0.152 (0.640)	−0.398 (0.454)	−0.248 (0.892)	−0.255 (0.896)	−0.717 (1.097)	−0.288 (0.429)
period × policy mandate _c	0.020 (0.756)	0.675 (3.613)	5.983 (3.697)	−3.577 (7.364)	−0.729 (1.688)	0.628 (0.812)
period × working capital _{cit}	−0.459 (0.311)					
policy mandate _c × working capital _{cit}	0.235 (1.115)					
period × policy mandate _c × working capital _{cit}	0.842 (0.761)					
period × current ratio _{cit}		−0.240 (0.603)				
policy mandate _c × current ratio _{cit}		1.287 (0.952)				
period × policy mandate _c × current ratio _{cit}		−0.082 (2.559)				
period × cash assets _{cit}			−4.570 (3.585)			
policy mandate _c × cash assets _{cit}			−39.444* (22.338)			
period × policy mandate _c × cash assets _{cit}			26.617 (17.407)			
period × liabilities assets _{cit}				−1.870 (2.409)		
policy mandate _c × liabilities assets _{cit}				−15.732 (15.385)		
period × policy mandate _c × liabilities assets _{cit}				7.430 (14.961)		
period × return on asset _{cit}					−0.076 (0.086)	
policy mandate _c × return on asset _{cit}					−0.176 (0.789)	
period × policy mandate _c × return on asset _{cit}					0.408 (0.718)	
period × sales assets _{cit}						0.003 (0.004)
policy mandate _c × sales assets _{cit}						−0.005 (0.007)
period × policy mandate _c × sales assets _{cit}						−0.009 (0.016)
City	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes
Observations	236	439	176	176	233	357
R ²	0.797	0.596	0.833	0.828	0.787	0.635

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%.