

Table 1: Baseline estimate, SO2 emission reduction, policy mandate, individual sector Cultural measurement instruments

	Dependent variable: SO2 emission					
	(1)	(2)	(3)	(4)	(5)	(6)
working capital <sub>cit</sub>	-0.481 (1.194)					
current ratio <sub>cit</sub>		0.053 (0.088)				
cash assets <sub>cit</sub>			3.730 (3.837)			
liabilities assets <sub>cit</sub>				3.476 (4.652)		
return on asset <sub>cit</sub>					-0.007 (0.193)	
sales assets <sub>cit</sub>						-0.001 (0.0005)
output <sub>cit</sub>	-0.065 (0.083)	-0.001 (0.026)	-0.137 (0.117)	-0.111 (0.108)	-0.080 (0.080)	-0.003 (0.025)
employment <sub>cit</sub>	0.063 (0.064)	0.015 (0.020)	0.137 (0.131)	0.123 (0.126)	0.096* (0.057)	0.014 (0.019)
capital <sub>cit</sub>	-0.060 (0.164)	0.021 (0.038)	-0.158 (0.255)	-0.034 (0.240)	-0.205 (0.207)	0.023 (0.033)
period × policy mandate <sub>c</sub>	2.267** (0.987)	-2.005 (2.188)	10.716** (4.453)	-1.918 (5.237)	-1.923 (1.488)	1.439 (0.886)
period × working capital <sub>cit</sub>	0.184 (0.337)					
policy mandate <sub>c</sub> × working capital <sub>cit</sub>	1.669 (1.742)					
period × policy mandate <sub>c</sub> × working capital <sub>cit</sub>	-0.890** (0.445)					
period × current ratio <sub>cit</sub>		-0.992* (0.509)				
policy mandate <sub>c</sub> × current ratio <sub>cit</sub>		0.084 (0.235)				
period × policy mandate <sub>c</sub> × current ratio <sub>cit</sub>		2.422 (1.515)				
period × cash assets <sub>cit</sub>			-8.567*** (2.928)			
policy mandate <sub>c</sub> × cash assets <sub>cit</sub>			-27.607 (19.421)			
period × policy mandate <sub>c</sub> × cash assets <sub>cit</sub>			36.285** (15.712)			
period × liabilities assets <sub>cit</sub>				1.691 (1.967)		
policy mandate <sub>c</sub> × liabilities assets <sub>cit</sub>				-10.599 (25.543)		
period × policy mandate <sub>c</sub> × liabilities assets <sub>cit</sub>				4.661 (7.762)		
period × return on asset <sub>cit</sub>					-0.542 (0.334)	
policy mandate <sub>c</sub> × return on asset <sub>cit</sub>					0.034 (0.569)	
period × policy mandate <sub>c</sub> × return on asset <sub>cit</sub>					1.578 (0.985)	
period × sales assets <sub>cit</sub>						0.001 (0.0005)
policy mandate <sub>c</sub> × sales assets <sub>cit</sub>						0.006*** (0.001)
period × policy mandate <sub>c</sub> × sales assets <sub>cit</sub>						-0.008*** (0.002)
City	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes
Observations	247	513	177	177	246	411
R <sup>2</sup>	0.686	0.677	0.714	0.717	0.691	0.679

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%.