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

	Dependent variable: SO2 emission						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
$output_{cit}$	0.132*	0.061	−0.080	−0.076	−0.078	−0.085	−0.051
	(0.067)	(0.052)	(0.079)	(0.078)	(0.080)	(0.075)	(0.081)
$employment_{cit}$	0.047***	0.030	0.065***	0.067***	0.067***	0.063***	0.061***
	(0.018)	(0.019)	(0.020)	(0.020)	(0.020)	(0.020)	(0.019)
$capital_{cit}$	−0.453	−0.329	−0.334	−0.434	−0.436	−0.372	−0.480
	(0.450)	(0.389)	(0.448)	(0.438)	(0.440)	(0.439)	(0.411)
period ×policy mandate$_c$	−0.053	0.481	−6.028	2.835	11.385*	−2.236	1.074
	(1.224)	(1.290)	(5.872)	(3.231)	(5.955)	(1.401)	(0.737)
period ×working capital$_{ci}$	−2.015***						
	(0.349)						
period ×policy mandate$_c$ × working capital$_{ci}$	1.688**						
	(0.744)						
period ×asset tangibility$_{ci}$		−2.550***					
		(0.512)					
period ×policy mandate$_c$ × asset tangibility$_{ci}$		2.047**					
		(0.895)					
period ×current ratio$_{ci}$			−0.715				
			(0.844)				
period ×policy mandate$_c$ × current ratio$_{ci}$			5.335				
			(4.481)				
period ×cash assets$_{ci}$				−1.494			
				(3.251)			
period ×policy mandate$_c$ × cash assets$_{ci}$				10.142			
				(14.608)			
period ×liabilities assets$_{ci}$					3.649		
					(2.272)		
period ×policy mandate$_c$ × liabilities assets$_{ci}$					−21.233*		
					(12.243)		
period ×return on asset$_{ci}$						−0.071**	
						(0.028)	
period ×policy mandate$_c$ × return on asset$_{ci}$						1.237***	
						(0.470)	
period ×sales assets$_{ci}$							−0.004
							(0.007)
period ×policy mandate$_c$ × sales assets$_{ci}$							−0.009
							(0.017)
City	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	430	416	441	418	418	429	440
R^2	0.614	0.634	0.600	0.596	0.599	0.594	0.605

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%.