-0.110***

(0.042)

0.100***

(0.020)

-0.059

-0.016**

(0.007)

0.037**

-0.006

0.021

(0.047)

-0.004

(0.017)

-0.044

-0.047

(0.045)

0.009

(0.009)

0.140

0.001

(0.026)

0.015

(0.020)

0.005

0.016

(0.030)

0.012

(0.019)

-0.004

-0.011

(0.035)

0.040

(0.024)

-0.148

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

sector

outputcit

capitalcit

employment_{cit}

0.020

(0.028)

-0.231

the 5%, *** Significance at the 1%.

R^2	0.695	0.755	0.736	0.779	0.848	0.659	0.769	0.667	0.856	0.753
Observations	1,228	1,287	1,670	1,683	883	824	659	513	1,745	1,777
Time	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
City	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	(0.478)	(0.555)	(0.397)	(0.347)	(0.350)	(0.603)	(0.514)	(1.045)	(0.358)	(0.380)
period ×policy mandate,	-0.555	-0.178	-0.709°	0.058	-0.204	-0.279	-0.155	1.328	-0.754**	-0.475
	(0.139)	(0.101)	(0.135)	(0.060)	(0.023)	(0.125)	(0.092)	(0.035)	(0.067)	(0.119)

0.028

(0.019)

-0.008

(0.009)

0.058

0.009

(0.011)

0.011

-0.009

Observations $\frac{1,228}{1,27}$ $\frac{1,287}{0,005}$ $\frac{1,287}{0,755}$ $\frac{1,670}{0,736}$ $\frac{1,083}{0,779}$ $\frac{883}{0,848}$ $\frac{823}{0,699}$ $\frac{659}{0,799}$ $\frac{513}{0,667}$ $\frac{1,745}{0,856}$ $\frac{1,777}{0,733}$ This table estimates eq(3). Heteroskedasticity-robust standard errors clustered at the city level appear inp arentheses. * Significance at the 10%, ** Significance at