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

	Dependent variable: SO2 emission						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
output$_{cit}$	−0.097**	−0.099**	−0.111***	−0.111***	−0.112***	−0.106***	−0.114***
	(0.049)	(0.046)	(0.042)	(0.041)	(0.042)	(0.039)	(0.041)
employment$_{cit}$	0.099***	0.095***	0.101***	0.100***	0.101***	0.095***	0.101***
	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)
capital$_{cit}$	−0.057	−0.061	−0.059	−0.064	−0.053	−0.048	−0.048
	(0.056)	(0.055)	(0.060)	(0.060)	(0.059)	(0.059)	(0.058)
period ×policy mandate$_c$	−0.128	−0.260	1.539	1.360	−2.179	2.159**	0.271
	(0.484)	(0.449)	(1.530)	(1.222)	(2.515)	(0.952)	(0.350)
period ×working capital$_{ci}$	−0.117						
	(0.184)						
period ×policy mandate$_c$ × working capital$_{ci}$	0.162						
	(0.134)						
period ×asset tangibility$_{ci}$		−0.098					
		(0.075)					
period ×policy mandate$_c$ × asset tangibility$_{ci}$		0.186*					
		(0.096)					
period ×current ratio$_{ci}$			0.121				
			(0.161)				
period ×policy mandate$_c$ × current ratio$_{ci}$			−1.319				
			(1.257)				
period ×cash assets$_{ci}$				−0.786			
				(1.051)			
period ×policy mandate$_c$ × cash assets$_{ci}$				5.946			
				(5.239)			
period ×liabilities assets$_{ci}$					−0.525		
					(0.655)		
period ×policy mandate$_c$ × liabilities assets$_{ci}$					4.179		
					(4.776)		
period ×return on asset$_{ci}$						0.210**	
						(0.088)	
period ×policy mandate$_c$ × return on asset$_{ci}$						−1.735**	
						(0.760)	
period ×sales assets$_{ci}$							−0.002*
							(0.001)
period ×policy mandate$_c$ × sales assets$_{ci}$							−0.008*
							(0.005)
City	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,677	1,625	1,682	1,676	1,676	1,677	1,679
R^2	0.779	0.778	0.780	0.779	0.779	0.780	0.780

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%.