

Table 1: Baseline estimate, SO2 emission reduction, policy mandate, individual, sector Education and Sport Activity”

	Dependent variable: SO2 emission					
	(1)	(2)	(3)	(4)	(5)	(6)
current ratio _{cit}		0.360 (0.421)				
cash assets _{cit}			-6.533 (7.798)			
liabilities assets _{cit}				-5.460 (3.656)		
return on asset _{cit}					-0.016 (0.014)	
sales assets _{cit}						-0.0003 (0.001)
output _{cit}	-0.062 (0.157)	-0.017 (0.145)	-0.149 (0.235)	-0.203 (0.235)	-0.192 (0.142)	-0.076 (0.129)
employment _{cit}	0.046 (0.041)	0.033 (0.030)	0.018 (0.061)	0.038 (0.055)	0.047 (0.051)	0.023 (0.023)
capital _{cit}	0.441 (0.313)	-0.849 (0.581)	-0.372 (0.537)	0.074 (0.610)	0.300 (0.462)	-0.565 (0.472)
period × policy mandate _c	-1.806 (1.223)	2.960 (4.823)	-2.361 (3.198)	-1.423 (10.111)	-0.756 (3.467)	-1.093 (0.922)
period × working capital _{cit}	-2.491*** (0.555)					
policy mandate _c × working capital _{cit}	-1.105*** (0.389)					
period × policy mandate _c × working capital _{cit}	3.238*** (0.701)					
period × current ratio _{cit}		1.118 (0.784)				
policy mandate _c × current ratio _{cit}		-5.918*** (1.156)				
period × policy mandate _c × current ratio _{cit}		-2.747 (4.226)				
period × cash assets _{cit}			2.562 (3.773)			
policy mandate _c × cash assets _{cit}			38.369* (21.203)			
period × policy mandate _c × cash assets _{cit}			-10.667 (13.271)			
period × liabilities assets _{cit}				-1.610 (4.096)		
policy mandate _c × liabilities assets _{cit}				24.033 (17.306)		
period × policy mandate _c × liabilities assets _{cit}				2.957 (17.678)		
period × return on asset _{cit}					0.096 (0.137)	
policy mandate _c × return on asset _{cit}					0.648 (0.664)	
period × policy mandate _c × return on asset _{cit}					0.145 (1.148)	
period × sales assets _{cit}						-0.005* (0.003)
policy mandate _c × sales assets _{cit}						-0.001 (0.002)
period × policy mandate _c × sales assets _{cit}						0.012** (0.005)
City	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes
Observations	160	276	114	114	160	233
R ²	0.862	0.760	0.897	0.894	0.860	0.816

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%.