**Full regression results for the mechanism analysis**

**Table S.1**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Variables | (1) | (2) | (3) | (4) | (5) | (6) |
|  | *lncar* | *lni* | *lncar* | *lnpcar* | *lni* | *lnpcar* |
| *treat* | -0.068\*\*\* | 0.215\*\*\* | -0.065\*\*\* | -0.067\*\*\* | 0.215\*\*\* | -0.063\*\*\* |
|  | (0.013) | (0.058) | (0.013) | (0.012) | (0.058) | (0.012) |
| *lni* |  |  | -0.012\*\* | -0.099\*\*\* | -0.658\*\*\* | -0.113\*\*\* |
|  |  |  | (0.005) | (0.037) | (0.150) | (0.037) |
| *lnrgdp* | 0.365\*\*\* | -0.658\*\*\* | 0.357\*\*\* | 0.105\* | -0.139 | 0.102 |
|  | (0.055) | (0.150) | (0.055) | (0.063) | (0.165) | (0.062) |
| *lnpd* | 0.242\* | -0.139 | 0.240\* | -0.533\*\* | 8.080\*\*\* | -0.363 |
|  | (0.125) | (0.165) | (0.124) | (0.242) | (2.189) | (0.235) |
| *sci* | -0.224 | 8.080\*\*\* | -0.127 | 0.021\* | 0.085\*\*\* | 0.023\*\* |
|  | (0.220) | (2.189) | (0.224) | (0.011) | (0.030) | (0.011) |
| *finc* | 0.001 | 0.085\*\*\* | 0.002 | 0.057\*\*\* | 0.038\* | 0.058\*\*\* |
|  | (0.007) | (0.030) | (0.007) | (0.006) | (0.022) | (0.006) |
| *lnene* | 0.060\*\*\* | 0.038\* | 0.061\*\*\* | 1.765\*\*\* | 6.018\*\*\* | 1.891\*\*\* |
|  | (0.006) | (0.022) | (0.006) | (0.397) | (1.455) | (0.395) |
| *Constant* | 12.740\*\*\* | 6.018\*\*\* | 12.812\*\*\* | -0.067\*\*\* | 0.215\*\*\* | -0.063\*\*\* |
|  | (0.647) | (1.455) | (0.645) | (0.012) | (0.058) | (0.012) |
| *Control variables* | Yes | Yes | Yes | Yes | Yes | Yes |
| *City FE* | Yes | Yes | Yes | Yes | Yes | Yes |
| *Year FE* | Yes | Yes | Yes | Yes | Yes | Yes |
| *N* | 3,990 | 3,990 | 3,990 | 3,990 | 3,990 | 3,990 |
|  | 0.989 | 0.967 | 0.989 | 0.982 | 0.967 | 0.982 |

Notes: \*\*\*, \*\* and \* indicate statistical at 1 %, 5 % and 10 % levels, respectively. Standard errors clustered at the city-year level are in parentheses.

**Table S.2**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Variables | (1) | (2) | (3) | (4) | (5) | (6) |
|  | *lncar* | *sind* | *lncar* | *lnpcar* | *sind* | *lnpcar* |
| *treat* | -0.055\*\*\* | -1.741\*\*\* | -0.048\*\*\* | -0.060\*\*\* | -1.741\*\*\* | -0.058\*\*\* |
|  | (0.011) | (0.525) | (0.010) | (0.010) | (0.525) | (0.010) |
| *sind* |  |  | 0.004\*\*\* |  |  | 0.001\*\*\* |
|  |  |  | (0.000) |  |  | (0.000) |
| *lnrgdp* | 0.352\*\*\* | 22.457\*\*\* | 0.267\*\*\* | -0.112\*\*\* | 22.457\*\*\* | -0.139\*\*\* |
|  | (0.049) | (2.189) | (0.050) | (0.033) | (2.189) | (0.037) |
| *lnpd* | 0.269\*\* | 7.050 | 0.242\*\* | 0.116\* | 7.050 | 0.108\* |
|  | (0.121) | (4.299) | (0.108) | (0.060) | (4.299) | (0.058) |
| *sci* | -0.254 | -6.908 | -0.228 | -0.670\*\*\* | -6.908 | -0.662\*\*\* |
|  | (0.219) | (8.935) | (0.227) | (0.253) | (8.935) | (0.253) |
| *finc* | -0.001 | -0.719\*\*\* | 0.002 | 0.001 | -0.719\*\*\* | 0.002 |
|  | (0.005) | (0.223) | (0.005) | (0.004) | (0.223) | (0.004) |
| *lnene* | 0.057\*\*\* | 1.458\*\*\* | 0.051\*\*\* | 0.053\*\*\* | 1.458\*\*\* | 0.051\*\*\* |
|  | (0.005) | (0.257) | (0.005) | (0.005) | (0.257) | (0.005) |
| *Constant* | 12.848\*\*\* | -182.123\*\*\* | 13.531\*\*\* | 1.888\*\*\* | -182.123\*\*\* | 2.110\*\*\* |
|  | (0.587) | (23.171) | (0.571) | (0.359) | (23.171) | (0.385) |
| *Control variables* | Yes | Yes | Yes | Yes | Yes | Yes |
| *City FE* | Yes | Yes | Yes | Yes | Yes | Yes |
| *Year FE* | Yes | Yes | Yes | Yes | Yes | Yes |
| *N* | 4,275 | 4,275 | 4,275 | 4,275 | 4,275 | 4,275 |
|  | 0.989 | 0.858 | 0.989 | 0.981 | 0.858 | 0.981 |

Notes: \*\*\*, \*\* and \* indicate statistical at 1 %, 5 % and 10 % levels, respectively. Standard errors clustered at the city-year level are in parentheses.

**Table S.3**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Variables | (1) | (2) | (3) | (4) | (5) | (6) |
|  | *lncar* | *instr* | *lncar* | *lnpcar* | *instr* | *lnpcar* |
| *treat* | -0.055\*\*\* | 0.092\*\*\* | -0.050\*\*\* | -0.060\*\*\* | 0.092\*\*\* | -0.060\*\*\* |
|  | (0.011) | (0.026) | (0.010) | (0.010) | (0.026) | (0.010) |
| *instr* |  |  | -0.054\*\*\* |  |  | -0.003 |
|  |  |  | (0.015) |  |  | (0.013) |
| *lnrgdp* | 0.352\*\*\* | -0.723\*\*\* | 0.312\*\*\* | -0.112\*\*\* | -0.723\*\*\* | -0.114\*\*\* |
|  | (0.049) | (0.084) | (0.050) | (0.033) | (0.084) | (0.036) |
| *lnpd* | 0.269\*\* | -0.094 | 0.264\*\* | 0.116\* | -0.094 | 0.116\* |
|  | (0.121) | (0.132) | (0.116) | (0.060) | (0.132) | (0.060) |
| *sci* | -0.254 | 0.194 | -0.243 | -0.670\*\*\* | 0.194 | -0.670\*\*\* |
|  | (0.219) | (0.487) | (0.236) | (0.253) | (0.487) | (0.253) |
| *finc* | -0.001 | 0.038\*\*\* | 0.001 | 0.001 | 0.038\*\*\* | 0.001 |
|  | (0.005) | (0.011) | (0.005) | (0.004) | (0.011) | (0.004) |
| *lnene* | 0.057\*\*\* | -0.031\*\*\* | 0.055\*\*\* | 0.053\*\*\* | -0.031\*\*\* | 0.053\*\*\* |
|  | (0.005) | (0.010) | (0.005) | (0.005) | (0.010) | (0.005) |
| *Constant* | 12.848\*\*\* | 8.075\*\*\* | 13.287\*\*\* | 1.888\*\*\* | 8.075\*\*\* | 1.916\*\*\* |
|  | (0.587) | (0.844) | (0.597) | (0.359) | (0.844) | (0.387) |
| *Control variables* | Yes | Yes | Yes | Yes | Yes | Yes |
| *City FE* | Yes | Yes | Yes | Yes | Yes | Yes |
| *Year FE* | Yes | Yes | Yes | Yes | Yes | Yes |
| *N* | 4,275 | 4,275 | 4,275 | 4,275 | 4,275 | 4,275 |
|  | 0.989 | 0.832 | 0.989 | 0.981 | 0.832 | 0.981 |

Notes: \*\*\*, \*\* and \* indicate statistical at 1 %, 5 % and 10 % levels, respectively. Standard errors clustered at the city-year level are in parentheses.