

## Accepted Manuscript

Political Connections and Corporate Environmental  
Responsibility: Adopting or Escaping?

Cui Zhang

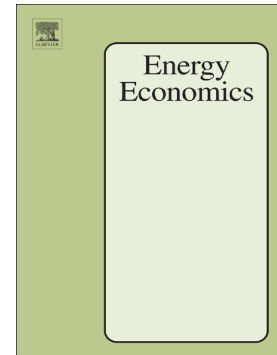
PII: S0140-9883(17)30377-8  
DOI: [doi:10.1016/j.eneco.2017.10.036](https://doi.org/10.1016/j.eneco.2017.10.036)  
Reference: ENEECO 3809

To appear in:

Received date: 5 March 2017  
Revised date: 3 August 2017  
Accepted date: 23 October 2017

Please cite this article as: Cui Zhang , Political Connections and Corporate Environmental Responsibility: Adopting or Escaping?. The address for the corresponding author was captured as affiliation for all authors. Please check if appropriate. Eneeco(2017), doi:[10.1016/j.eneco.2017.10.036](https://doi.org/10.1016/j.eneco.2017.10.036)

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.



# Political Connections and Corporate Environmental Responsibility: Adopting or Escaping?

Cui Zhang<sup>1</sup>  
School of Economics  
Jinan University  
Guangzhou, 510632  
PR China  
zzzhangcui@126.com

<sup>1</sup> Dr. Cui Zhang, a Fulbright Scholar in the department of economics at Harvard University and Associate Professor of Economics at Jinan University in China. Tel:13560459646. E-mail:zzzhangcui@126.com.

## ABSTRACT

Corporate environmental responsibility (CER) is increasingly viewed as an important business strategy by researchers, investors, and society as a whole. While prior research has emphasized the role of social pressures, firm-specific factors, as well as CEO characteristics in CER, little attention has been paid to the impacts of political connections. We propose a mechanism-based framework to study how political connections affect firm's propensity to engage in CER. Using comprehensive environmental information disclosure data on China's listed firms, augmented by unique data on political connections, we find that political connections have a positive effect on CER. This effect is more pronounced for state-owned firms and in cities with stringent environmental regulations. With respect to the channels through which political connections increase CER, we further find that political connections help firms to receive government grants, subsidies and tax reduction related to the environment protection, and implement government environmental policies.

*Keywords:* Corporate environmental responsibility, environmental information disclosure, political connections, green strategies, energy management

*JEL classifications:* Q56, M14, P26

Download English Version:

<https://daneshyari.com/en/article/7351299>

Download Persian Version:

<https://daneshyari.com/article/7351299>

[Daneshyari.com](https://daneshyari.com)