

Assessing the Role of Green Finance in Mitigating Regional Pollution

Liping Gao

Department of Finance, Beijing Institute of Technology, Zhuhai, Guangdong, China

Weibin, Mai

Department of Finance, Beijing Institute of Technology, Zhuhai, Guangdong, China

Abstract:

This research investigates the influence of green finance (GFI) on regional pollution levels by utilizing panel data from 30 Chinese provinces spanning the period 2009 to 2022. To ensure the reliability of the findings, the study incorporates financial development (FD), fiscal scale (FS), and additional control variables such as economic scale, consumer price indices, industrial structure, and openness. The empirical results demonstrate that increased GFI significantly mitigates pollution, with FD and FS also playing contributory roles in environmental enhancement. Furthermore, heterogeneity analysis reveals that the pollution-reducing effects of GFI and FS are more pronounced in the eastern provinces.

Keywords:

Green Finance, Mitigating Pollution, Entropy Method.

JEL: Q53; Q56; Q58.