Kwok Yuen FAN

Email: terrilfan@outlook.com | Website: kwokyuenfan.github.io

ACADEMIC APPOINTMENTS

The Hang Seng University of Hong Kong (HSUHK) Sep 2025 - Current
Assistant Professor of Economics and Finance Hong Kong, China

Beijing Normal-Hong Kong Baptist University (BNBU) Sep 2023 - Aug 2025
Assistant Professor of Finance Zhuhai, China

EDUCATION

The Hong Kong Polytechnic University Sep 2020 - Aug 2023
Ph.D. Real Estate Economics Hong Kong, China
Dissertation: *Institutional designs and environmental governance*
Committee*: Jeff Jianfu Shen (Advisor), Eddie C.M. Hui (Advisor), Helen Bao (Cambridge), Desmond Tsang (CUHK)*

Nanyang Technological University Mar 2023 - May 2023
Visiting Research Student at Nanyang Business School Singapore

The University of Lancaster Oct 2017 - Sep 2018
M.Sc. Advanced Financial Analysis (Distinction) United Kingdom

The Hang Seng University of Hong Kong (HSUHK) Sep 2012 - Aug 2016
Bachelor of Business Administration, School of Business (AACSB-accredited) Hong Kong, China

RESEARCH INTERESTS

Sustainability (Climate change, Biodiversity, Greenwashing)
Real Estate (Climate resilience, Green buildings, Land)
Corporate Finance (Fintech, Blended Finance, Political Economy)

PUBLICATIONS

1. Yang, M. X., Fan, K. Y., & Zeng, K. J. (2026). Acting to know: Extending Vorholzer and Brattström's theory of moral ambiguity in entrepreneurial action through externalized moral resolution. ***Academy of Management Review***. Accepted. (**JCR Q1**; **UTD24; FT50**; **ABDC A*; ABS 4***)
   Summary: This study overcomes moral paralysis in highly uncertain environments, entrepreneurs bypass internal cognitive reflection and instead utilize "externalized moral resolution", employing small-scale "moral prototyping" to generate real-world feedback and "distributed moral sensemaking" to collectively negotiate value conflicts.

2. Yang, L., Shen, J., Fan, K. Y., Cheng, L. T. W., & Lu, W. (2026). An International Perspective of Selective ESG Engagement: Evidence from Real Estate Investment Trusts. **Journal of Real Estate Finance and Economics**, Forthcoming. (**Top 3 Real Estate Journal**; ABDC A; ABS 3)
   Summary: This study finds that REITs adopt a "selective ESG" strategy, which emphasizes social and governance aspects while downplays environmental efforts, with financial returns varying by region: it boosts performance in North America but harms it in Europe, underscoring the influence of regional institutional contexts on ESG outcomes.

3. Cheng, L. T., Fan, K. Y., Shen, J., & Yu, Q. (2026). Saving planet earth or maximizing financial gains: A global analysis of environmental performance positioning as an ESG strategy. ***Research in International Business and Finance,*** Forthcoming. (JCR Q1; ABDC A; ABS 2)
   Summary: The study finds that ESG strategic positioning is linked to higher greenhouse gas emissions and improved financial performance, with stronger emission effects in emerging markets, high-ESG-rated firms, and downstream industries, suggesting companies may game of ESG ratings rather than genuine sustainability progress.

4. Li, X., Liu, Y., Fan, K. Y., Gong, J. & Yang, M. X. (2026). The Twin Transition: Does Intelligent Manufacturing Crowd Out or Catalyze Green Innovation?. ***Business Strategy and the Environment***, Forthcoming. (JCR Q1; ABDC A; ABS 3)
   Summary: China's Intelligent Manufacturing Demonstration Project, a policy integrating digital and green goals, spurred a 27% increase in green innovation by easing firms' financial and managerial constraints, demonstrating that industrial policy can strategically reconcile the twin transition by creating complementarities rather than competition between digital and sustainable investments.

5. Chang, Z., Fan, K. Y., Jing, K., Lin, S., & Deng, C. (2026). The unintended socioeconomic consequences of housing demand shock: evidence from the home-purchase restriction policy in China. ***International Journal of Housing Markets and Analysis***, 1-22. (JCR Q2; ABDC B; ABS 1)
   Summary: This study demonstrates that China's home-purchase restrictions successfully cooled housing prices but simultaneously strained municipal budgets by reducing land-leasing revenue, highlighting the fiscal vulnerability of local governments dependent on land sales.

6. Shen, J., Yu, I. Y., Fan, K. Y., Yang, M. X., & Hui, E. C. (2025). Lobbying and Green Transition in Fossil Fuel Sector. ***Business Strategy and the Environment***, Forthcoming. (**JCR Q1**; **ABDC A; ABS 3**)
   Summary: This study reveals that corporate lobbying by U.S. oil and gas firms significantly delays the green transition by incentivizing fossil fuel expansion and capital investment while stagnating progress in green innovation and pollution abatement.

7. Shen, J., Peng, D., Hui, E. C., & Fan, K. Y. (2025). Performance measurability, local government's incentives, and regional air pollution reduction. ***World Development***, *193*, 107056. (**JCR Q1**; **ABDC A*; ABS 3**)
   Summary: Enhanced environmental performance measurability leads to improved environmental quality, particularly when local leaders possess strong career incentives and their financial support is directly contingent on successful environmental protection outcomes.

8. Zheng, L., Zhu, H., Fan, K. Y., & Chang, Z. (2024). Why high-speed rail causes heterogeneous spatial patterns in firm innovation: Perspectives from intensive and extensive margins. ***PloS one***, *19*(10), e0311621. (**JCR Q1**)
   Summary: This paper decompose the impact of high-speed rail (HSR) on firm innovation into extensive (more firms innovating) and intensive (firms innovating more) margins, revealing that the net positive effect is a trade-off between beneficial knowledge spillovers and a detrimental "brain drain" from peripheral counties to urban centers. While HSR boosts overall innovation, it can exacerbate regional inequality, necessitating targeted policies to support innovation in peripheral areas and mitigate the brain drain effect.

9. Fan, K. Y., Shen, J., Hui, E. C., & Cheng, L. T. (2024). ESG components and equity returns: Evidence from real estate investment trusts. ***International Review of Financial Analysis***, *96*, 103716. (**JCR Q1**; **ABDC A; ABS 3**)
   Summary: For US Real Estate Investment Trusts (REITs), this study finds that higher environmental performance negatively impacts future stock returns and firm fundamentals, while social and governance performance are positively associated with both. These contrasting effects stem from environmental investments' high costs versus the benefits of social and governance practices, underscoring that ESG's influence on equity returns is component-specific.

10. Shen, J., Fan, K. Y., Hui, E. C., & Ho, S. M. (2024). The value of sustainable property management in real estate: Evidence from Hong Kong. ***Journal of Real Estate Research***, *46*(3), 389-419. (**Top 3 Real Estate Journal**; ABDC B)
    Summary: ESG performance of property management companies is capitalized into housing prices, with the value premium driven by a reduction in perceived risk and a higher rental growth rate rather than by higher gross rents. Management firms can directly enhance property values by improving ESG practices, and investors should incorporate this non-physical attribute into their valuations.

11. Peng, D., Shen, J., Fung, S. Y. K., Hui, E. C., & Fan, K. (2024). The valuation effect and consequences of clawback adoption in real estate investment trusts. ***The Journal of Real Estate Finance and Economics***, *68*(2), 274-317. (**Top 3 Real Estate Journal**; **ABDC A; ABS 3**)

Summary: Clawback provisions are a value-relevant corporate governance mechanism even in the highly regulated REIT market, as investors positively value the adoption of strong policies, particularly in firms with higher prior financial restatement risk and disclosure opacity. Adopting such policies tangibly improves REIT governance by reducing the likelihood of financial restatements, enhancing the quality of financial disclosures, and curbing aggressive investment.

12. Shen, J., Hui, E. C., & Fan, K. (2021). Did real estate professionals anticipate the 2007-2008 financial crisis? Evidence from insider trading in the REITs. ***The Journal of Real Estate Finance and Economics***, *63*(1), 122-142. (**Top 3 Real Estate Journal**; **ABDC A; ABS 3**)
Summary: Real estate professionals in REITs anticipated the 2007-2008 financial crisis by significantly selling their holdings as early as 2004, which refutes the competing "biased belief hypothesis" that they were over-optimistic. Unlike many experts in the broader financial industry, these sophisticated real estate insiders successfully foresaw the systemic risk in the housing market, suggesting their trading patterns can act as an early warning signal for sector-wide bubbles.

13. Shen, J., Hui, E. C., & Fan, K. (2021). The beta anomaly in the REIT market. ***The Journal of Real Estate Finance and Economics***, *63*(3), 414-436. (**Top 3 Real Estate Journal**; **ABDC A; ABS 3**)
Summary: The beta anomaly in the REIT market and providing evidence that it is driven by institutional investors' preference for high-beta assets, which supports the leverage constraints hypothesis over alternative explanations. This institutional demand inflates the prices of high-beta REITs, causing their subsequent risk-adjusted underperformance and creating profitable opportunities for strategies that bet against beta.

SELECTED WORKING PAPERS (Abstracts are available in the Appendix)

Theme 1: Climate Change and Corporate Sustainability

14. **Environmental Regulatory Independence and Corporate Environmental Performance**
with Xin Chang, Jianfu Shen and Eddie C.M. Hui. Expected to be submitted to *Strategic Management Journal*.

15. **Climate Lobbying under uncertainty: Corporate Strategies and consequences**
with Jianfu Shen and Daoju Peng. Expected to be submitted to *Journal of Corporate Finance*.

16. **Belief to Behavior: The Role of Community and Institutional Trust in Driving Entrepreneurial Green Innovation**
with Yiran Pei, Yi Bai, Kangkang Fu and Morgan X. Yang. *Business Strategy and the Environment*, Under review.

Theme 2: Sustainability and Real Estate Investment

17. **Regulatory Arbitrage by Governments and Land Conveyance**
with Lulu Pan, Jianfu Shen, Eddie C.M. Hui, Xin Lin. *China Economic Review,* Under review.

18. **ESG Management and Environmental/Financial Tradeoff in REITs**
with Jianfu Shen, Louis T.W. Cheng, Kalok Chan and Eddie C.M. Hui. *International Review of Financial Analysis*, Under review.

19. **Rewriting the Contract: How Bureaucratic Incentives Ended China's Race-to-the-Bottom**
with Jianfu Shen and Eddie C.M. Hui. *Regional Science and Urban Economics,* Reject and Resubmit. (Top 2 Urban Economics Journal; ABDC A)

20. **Blended Finance in Global Infrastructure Projects**
with Xin Chang, Nuoya Fang, Kangkang Fu and Jianfu Shen. Expected to be submitted to *The Journal of Finance*.

21. **Leverage constraints and financial manipulation in the real estate sector**
with Jianfu Shen and Qing Yu. Expected to be submitted to *Journal of Real Estate Finance and Economics*.

22. **Developer's ESG Reputation Concern and Green Building Development**
with Jianfu Shen, Eddie C.M. Hui and Yan Yee Hung. Expected to be submitted to *Journal of Real Estate Research*.

23. **The Price of Pandemic Fear in the Residential Rental Market: Evidence from Hong Kong**
with Jianfu Shen and Eddie C.M. Hui. Expected to be submitted to *Journal of Real Estate Research*.

24. **Government Support and Participation in Global Green Real Estate Projects**
with Ting Jiang, Jianfu Shen and Eddie C.M. Hui. *Journal of Real Estate Finance and Economics*, **Revise and Resubmit**.

25. **Climate Risk and Green Transformation in Real Estate Sector**
with Ting Jiang, Jianfu Shen and Eddie C.M. Hui. Expected to be submitted to *Journal of Real Estate Finance and Economics*.

Theme 3: Sustainability and Households

26. **Can fintech enhance household climate resilience? Evidence from P2P lending platform**
with Jianfu Shen and Siyu Liu. Working paper. Expected to be submitted to *Journal of Financial Intermediation*.

Theme 4: Academic Integrity

27. **Does Research Funding Enhance Scientific Integrity? Evidence from Retractions in the ABS Journal Hierarchy**
with Morgan Xin Yang, Kevin Jing Zeng and Irina Yu Yang. Submitted to *British Journal of Management*.

RESEARCH GRANT

Principal Investigator, Hong Kong Research Grants Council (RGC) **Faculty Development Scheme (FDS) Scheme**, UGC/FDS14/B09/26, Political Polarization and Blended Finance, **HK$ 271,065**, 2026/27.

Principal Investigator, The Hang Seng University of Hong Kong (HSUHK) School of Business (SBUS) Seedcorn Funding Scheme, Seedcorn-SBUS-252604, Keep a Watchful Eye: Research Funding and Retraction in Business Journal, **HK$ 30,000**, 2025/26.

Principal Investigator, Beijing Normal-Hong Kong Baptist University (BNBU) Start-up Research Fund, UICR0700078-24, **RMB 30,000**, 2023/24.

SELECTED WORKING IN PROGRESS

Theme 1: Climate Change and Corporate Sustainability

1. Judicial independence and audit costs (with Tsang, D. & Chu, X.). Manuscript in progress.

Theme 2: Sustainability and Real Estate Investment

2. Property presale and extra-budgetary revenue (with Shen, J.). Data cleaning in progress.
3. Unfinished buildings and loan suspension. Data cleaning in progress.

TEACHING EXPERIENCES (all lectures are delivered in English)

Urban and Real Estate Economics, **5.80/6.00** Autumn 2025
The Hang Seng University of Hong Kong

Business Economics I, **5.70/6.00** Autumn 2025
The Hang Seng University of Hong Kong

Financial Forecasting, **4.97/5.00** Spring 2025

Beijing Normal-Hong Kong Baptist University

Business Research Method, **4.89/5.00** Autumn 2024
Beijing Normal-Hong Kong Baptist University

Financial Management, **4.96/5.00** Spring 2024
Beijing Normal-Hong Kong Baptist University

Corporate Finance, **4.76/5.00** Spring 2024
Beijing Normal-Hong Kong Baptist University

Multinational Finance, **4.93/5.00** Autumn 2023
Beijing Normal-Hong Kong Baptist University

Construction Economics Spring 2023
The Hong Kong Polytechnic University

Construction Economics Autumn 2022
The Hong Kong Polytechnic University

Business Valuation and Accounts Spring 2022
The Hong Kong Polytechnic University

HONORS AND AWARDS

HSUHK School of Business Annual Research Excellence Award 2026

2024 3rd IETI PhD Fellowship Award Winner 2024

Best Conference Paper Prize for the 2024 China Real Estate Academic Annual Conference 2024
- Paper: An Institutional Perspective of Selective ESG Engagement

Best Conference Paper Prize for the 2023 China Real Estate Academic Annual Conference 2023
- Paper: The Value of Sustainable Property Management in Real Estate: Evidence from Hong Kong

CONFERENCE PRESENTATIONS († as a presenter)

†Kwok Yuen Fan, Xin Chang, Jianfu Shen and Eddie C.M. Hui (2026), "Environmental Regulatory Independence and Corporate Environmental Performance". Presented at the 2026 Journal of Accounting, Auditing and Finance Symposium (International).

†Kwok Yuen Fan, Daoju Peng and Jianfu Shen (2026), "Climate Lobbying under uncertainty: Corporate Strategies and consequences". Presented at the China Business Forum 2026.

†Kwok Yuen Fan, Jianfu Shen and Louis T.W. Cheng (2025), "Saving Planet Earth or Maximizing Financial Gains: A Global Analysis of Carbon Emissions". Presented at the Research Centre for Green Business (RCGB) Conference 2025.

Ting Jiang, Kwok Yuen Fan, †Jianfu Shen and Eddie C.M. Hui (2025), The Patient Capital Catalyst: Government Support and Global Green Real Estate Projects. Presented at the 2025 China Real Estate Academic Annual Conference.

†Ting Jiang, Kwok Yuen Fan, Jianfu Shen and Eddie C.M. Hui (2025), "Climate Risk and Green Transformation in Real Estate Sector". Presented at the 31st ERES Annual Conference 2025.

†Kwok Yuen Fan, Jianfu Shen and Eddie C.M. Hui (2024), "Does integrating environmental protection in cadre evaluation system mitigate the race-to-the-bottom competition? Evidence from industrial land conveyance in China". Presented at the 2024 AsRES- GCREC & AREUEA Joint International Real Estate Annual Conference.

†Kwok Yuen Fan, Xin Chang, Jianfu Shen and Eddie C.M. Hui (2024), "Environmental Regulatory Independence and Corporate Environmental Performance". Presented at the 2024 Asian Finance Association (AsianFA) Annual Conference.

†Kwok Yuen Fan, Eddie C.M. Hui, Lulu Pan, Jianfu Shen (2024), "Regulatory Arbitrage by Governments and Land Conveyance". Presented at the 3rd International Conference on Computational Social Sciences and Sustainability.

†Kwok Yuen Fan, Jianfu Shen and Eddie C.M. Hui (2024), "The Price of Pandemic Fear in the Residential Rental Market: Evidence from Hong Kong". Presented at the 2024 AsRES- GCREC & AREUEA Joint International Real Estate Annual Conference.

†Lu Yang, Weicheng Lu, Jianfu Shen, Louis T.W. Cheng, Kwok Yuen Fan (2024), "An Institutional Perspective of Selective ESG Engagement". Presented at the 2024 China Real Estate Academic Annual Conference.

†Kwok Yuen Fan, Jianfu Shen and Eddie C.M. Hui (2024), "Does integrating environmental protection in cadre evaluation system mitigate the race-to-the-bottom competition? Evidence from industrial land conveyance in China". Presented at the 11th International Workshop on Regional, Urban, and Spatial Economics in China.

†Jianfu Shen, Kwok Yuen Fan, Eddie C.M. Hui and Sik Man Ho (2023), "The Value of Sustainable Property Management in Real Estate: Evidence from Hong Kong". Presented at the 2023 China Real Estate Academic Annual Conference.

Kwok Yuen Fan, Jianfu Shen, Louis T.W. Cheng, †Kalok Chan and Eddie C.M. Hui (2023), "Environmental Materiality in ESG Strategy: A REIT Perspective". Keynote speech at the 2023 AsRES-GCREC Joint International Real Estate Conference.

†Jianfu Shen, Kwok Yuen Fan, Eddie C.M. Hui and Yan Yee Hung (2023), "Developer's ESG Reputation Concern and Green Building Development". Presented at the 2023 AsRES-GCREC Joint International Real Estate Conference.

†Kwok Yuen Fan, Jianfu Shen, Eddie C.M. Hui and Louis T.W. Cheng (2022), "ESG components and equity returns: Evidence from real estate investment trusts". Presented at the 2022 New Zealand Finance Meeting.

†Kwok Yuen Fan, Jianfu Shen and Eddie C.M. Hui (2022), "Does integrating environmental protection in cadre evaluation system mitigate the race-to-the-bottom competition? Evidence from industrial land conveyance in China". Presented at Coase Institute webworkshop.

†Kwok Yuen Fan, Daoju Peng, Jianfu Shen, Simon Yu Kit Fung, Eddie C.M. Hui (2020), "The Valuation Effect and Consequences of Clawback Adoption in Real Estate Investment Trusts". Presented at the Academy of International Business Southeast Asia Regional (AIBSEAR) Conference.

PROFESSIONAL SERVICES AND QUALIFICATIONS

Professional Services

Editor

Discover Cities

- Governance and Innovation for Climate-Resilient and Equitable Cities 2026

Editorial Board Member

Humanities and Social Sciences Communications	2026

Reviewer

Business Strategy and the Environment	2024-2026
Humanities and Social Sciences Communications	2026
International Journal of Housing Markets and Analysis	2026
2026 JAAF Symposium (International)	2026
World Development	2024
Research in International Business and Finance	2024
Journal of Research in Interactive Marketing	2024
Asian Journal of Accounting Research	2024
Frontier of Health Economics	2024

Professional Qualification

Financial Risk Manager (FRM)

Passed **CFA Level III**

Ronald Coase Institute Workshop Alumni

OTHER RESEARCH EXPERIENCE

Research Assistant 2019-2020
The Hong Kong Polytechnic University

Research Assistant 2018-2019
The Hang Seng University of Hong Kong

PRESS/MEDIA COVERAGE

Li, B. (2025, September 17). Focused GBA policies aid cross-boundary flow of market factors. *China Daily*.
Li, B. (2025, October 17). Integration shatters innovation barriers. *China Daily*.

INDUSTRY EXPERIENCES

Deloitte Touche Tohmatsu 2018
Baidu 2016
GoGoX (Invested by Alibaba, Singapore Press Holdings, BOCOM International and Cyberport Macro Fund) 2015

REFERENCES

Jeff Jianfu Shen (PhD Supervisor)
Associate Professor
Department of Building & Real Estate
The Hong Kong Polytechnic University
jeff.jf.shen@polyu.edu.hk

Eddie C.M. Hui (PhD Supervisor)
Chair Professor; Department Head
Department of Public and International Affairs
City University of Hong Kong
chimhui@cityu.edu.hk

Xin Chang
Professor; Associate Dean (Research)
Nanyang Business School
Nanyang Technological University
changxin@ntu.edu.sg

Weimin Liu
Chair Professor; Associate Dean
Faculty of Business and Management
Beijing Normal - Hong Kong Baptist University
weiminliu@uic.edu.cn

APPENDIX: SELECTED WORKING PAPER ABSTRACTS

Theme 1: Climate Change and Corporate Sustainability

1. **Lobbying and Fossil Fuel Investment** (with Jianfu Shen and Eddie C.M. Hui)
   Abstract: This study explores the impact of the lobbying activities of oil and gas companies on their green transitions, specifically their efforts to reduce fossil fuel investment and increase green innovations and abatement investment. Using a sample of listed oil and gas companies in the U.S. from 2000 to 2019, we find that, compared to non-lobbying firms, lobbying companies experience a 5.8% increase in capital expenditures and a 24.7% growth rate in oil and gas reserves in the year following lobbying efforts; conversely, they do not allocate significant resources to abatement activities or green innovations. The results remain robust when an instrumental variable approach is applied to address endogeneity concerns, indicating that lobbying delays the green transition in the fossil fuel sector. Further analysis reveals that corporate lobbying is positively associated with the subsequent financial performance of fossil fuel companies, but results in increased pollution emissions and heightened environmental concerns. Lastly, we demonstrate that the Paris Agreement moderates the impact of political lobbying on delaying the green transition. These findings highlight the need for policymakers to consider the implications of corporate lobbying on the fossil fuel green transition.

2. **Environmental Regulatory Independence and Corporate Environmental Performance** (with Xin Chang, Jianfu Shen and Eddie C.M. Hui)
   Abstract: We examine the impact of environmental regulatory independence on corporate environmental performance. Before 2016, local and central state-owned enterprises (SOEs) in China headquartered in jurisdictions far from central government supervision had poor environmental performance. The 2016 environmental verticalization reform transferred the management authority of local Environmental Protection Bureaus (EPBs) from local governments to provincial EPBs. We find that local SOEs' corporate environmental performance significantly improves as local EPBs gain more regulator independence. However, the reform did not affect the environmental performance of central SOEs, which often outrank provincial EPBs, or privately owned enterprises (POEs), which were already managed by local EPBs before the reform. Further analysis indicates that the improvement in corporate environmental performance depends upon local governments' environmental attention and regulatory capture. Although local SOEs increased abatement investments, the reform does not negatively affect their revenue, profitability, and valuation. This study suggests that policymakers should consider political rankings to improve environmental governance and enhance transparency in regulatory processes to mitigate rent-seeking behaviors.

Theme 2: Sustainability and Real Estate Investment

3. **Regulatory Arbitrage by Governments and Land Conveyance** (with Eddie C.M. Hui, Lulu Pan, Jianfu Shen)
   Abstract: The pollution haven hypothesis argues that polluting firms strategically respond to the imbalance in environmental regulations; and yet the role of local governments in facilitating the reallocation of polluting activities has not been examined. This study investigates the impact of local government's strategical response induced by geographically imbalanced regulations on industrial land conveyance to polluting industries in China. Following the Clean Air Action 2013, counties bordering regions with stricter air pollution regulations conveyed more land to polluting industries than those that do not. In bordering counties, land conveyance prices were strategically manipulated, indicating that the increase in land allocation was driven by deliberate price reductions by local governments to attract polluting activities. The effect was more pronounced in counties with lower environmental attention and higher political ambitions among officials. Lastly, deliberate creation of pollution haven led to enhanced economic growth and exacerbated air pollution. These findings underscore the urgent need for coordinated policy efforts to address the unintended consequences of environmental regulation imbalances, thereby emphasizing the importance of the issue to the audience.

4. **Rewriting the Contract: How Bureaucratic Incentives Ended China's Race-to-the-Bottom**
(with Jianfu Shen, Eddie C.M. Hui and Chang Zheng)
Abstract: We address a central question in political economy: can redesigning bureaucratic career incentives reconfigure the trade-off between economic growth and environmental protection? Analysing industrial land transactions in China, we exploit a 2013 reform that integrated environmental targets into the cadre evaluation system as a shock to local officials' incentive structure. Within a principal-agent framework, we show that under the old GDP-centric regime, officials strategically suppressed land prices by 15.5% as they approached their five-year promotion review to attract investment and signal competence. After the reform, land prices in an official's fifth year increased by 14.5%, reversing the previous downward trend. This change was driven by promotion-eligible officials and was concentrated in pollution-intensive industries. Ultimately, the reform broke the link between cheap land and subsequent GDP growth, demonstrating that incentivizing bureaucrats is an effective way for dismantling the "pollute-to-grow" development model.