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## **ENTERPRISE GROWTH MODEL: “POLLUTION” OR “ENVIRONMENTAL PROTECTION”**

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### **Abstract**

The micro-evidence of the relationship between environmental protection and economic growth is still at the level of descriptive research and case analysis, and it is difficult to reflect the overall relationship between environmental pollution status and enterprise development models. This paper analyzes the sales growth model of industrial enterprises in Hubei Province by using micro data of industrial enterprise observations in 2004 and industrial sales growth rates of 2005-2009, and analyzes the impact of environmental pollution levels on their sales growth rates. The study finds that the “sustainable development” and the “pollution for growth” model co-exist: Enterprises that have not been charged sewage fees have higher sales growth rates, which indicate that environmental protection enterprises can achieve faster development, reflecting the phenomenon of “sustainable development”; among the enterprises that charge sewage fees, the higher the companies pay the sewage fees, the higher the growth rate is, reflecting the “pollution for growth” model. But enterprises cannot increase their sales profits at the expense of the environment, and pollution for growth is not a long-term strategy for business development.

*Key words:* environmental pollution, pollution growth, sustainable development

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