

The political economy of mass media

Riccardo Puglisi

PhD in Economics
Bocconi University

A roadmap

- ▶ The political position of the media: how to measure it

A roadmap

- ▶ The political position of the media: how to measure it
- ▶ What determines the political position of media outlets?
(demand vs. supply)

A roadmap

- ▶ The political position of the media: how to measure it
- ▶ What determines the political position of media outlets? (demand vs. supply)
- ▶ What are the persuasive effects of the media? (relevance of supply side)

A roadmap

- ▶ The political position of the media: how to measure it
- ▶ What determines the political position of media outlets? (demand vs. supply)
- ▶ What are the persuasive effects of the media? (relevance of supply side)
- ▶ Game-theoretic models on the political role of the media: commitment models vs. political agency models

The political position of the media: measuring it

- ▶ First approximation: a unidimensional policy space (but: what about a multidimensional policy space?)

The political position of the media: measuring it

- ▶ First approximation: a unidimensional policy space (but: what about a multidimensional policy space?)
- ▶ Methodological standpoint: get replicable and portable measures.

The political position of the media: measuring it

- ▶ First approximation: a unidimensional policy space (but: what about a multidimensional policy space?)
- ▶ Methodological standpoint: get replicable and portable measures.
- ▶ Two different approaches:

The political position of the media: measuring it

- ▶ First approximation: a unidimensional policy space (but: what about a multidimensional policy space?)
- ▶ Methodological standpoint: get replicable and portable measures.
- ▶ Two different approaches:
 - ▶ (1) the comparison approach: compare media outlets with political actors whose ideological position is known (e.g. congressmen and/or voters))

The political position of the media: measuring it

- ▶ First approximation: a unidimensional policy space (but: what about a multidimensional policy space?)
- ▶ Methodological standpoint: get replicable and portable measures.
- ▶ Two different approaches:
 - ▶ (1) the comparison approach: compare media outlets with political actors whose ideological position is known (e.g. congressmen and/or voters))
 - ▶ (2) the agenda approach: analyse the amount of coverage devoted to different policy relevant issues (*agenda-setting*) and/or the way those issues are covered (*framing* and *priming*)

Measurement: the comparison approach

- ▶ Premise: one can easily classify congressmen on an ideological scale by studying their roll call votes.

Measurement: the comparison approach

- ▶ Premise: one can easily classify congressmen on an ideological scale by studying their roll call votes.
- ▶ Still, we need to find a “bridge” that connects congressmen and media outlets.

Measurement: the comparison approach

- ▶ Premise: one can easily classify congressmen on an ideological scale by studying their roll call votes.
- ▶ Still, we need to find a “bridge” that connects congressmen and media outlets.
- ▶ First idea: We code a given newspaper or TV news broadcast as left leaning, the more it cites –in a non-negative fashion– those think-tanks which are more often cited by Democratic congressmen: Groseclose and Milyo [2005].

Measurement: the comparison approach

- ▶ Premise: one can easily classify congressmen on an ideological scale by studying their roll call votes.
- ▶ Still, we need to find a “bridge” that connects congressmen and media outlets.
- ▶ First idea: We code a given newspaper or TV news broadcast as left leaning, the more it cites –in a non-negative fashion– those think-tanks which are more often cited by Democratic congressmen: Groseclose and Milyo [2005].
- ▶ Second idea: We code a newspaper or TV broadcast as left leaning if its language is more similar to the language used by Democratic congressmen. For example: *estate tax* vs. *death tax*. Gentzkow and Shapiro [2009].

Measurement: the comparison approach

- ▶ Premise: one can easily classify congressmen on an ideological scale by studying their roll call votes.
- ▶ Still, we need to find a “bridge” that connects congressmen and media outlets.
- ▶ First idea: We code a given newspaper or TV news broadcast as left leaning, the more it cites –in a non-negative fashion– those think-tanks which are more often cited by Democratic congressmen: Groseclose and Milyo [2005].
- ▶ Second idea: We code a newspaper or TV broadcast as left leaning if its language is more similar to the language used by Democratic congressmen. For example: *estate tax* vs. *death tax*. Gentzkow and Shapiro [2009].
- ▶ Third idea: I code a newspaper as left leaning the more it provides endorsements on referenda that are aligned with the endorsements made by the Democratic party. Since voters vote on referenda (by definition!), I can compare newspapers to voters as well. Puglisi e Snyder [2009].

Figure 1

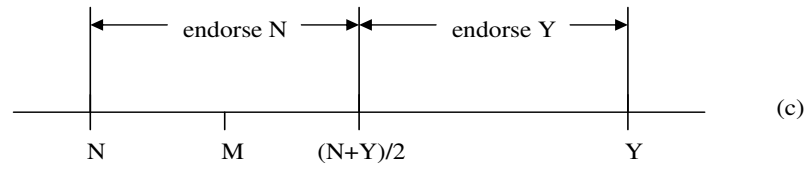
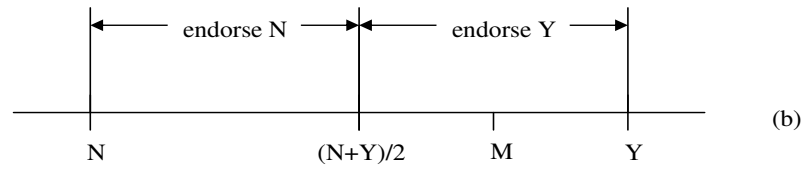
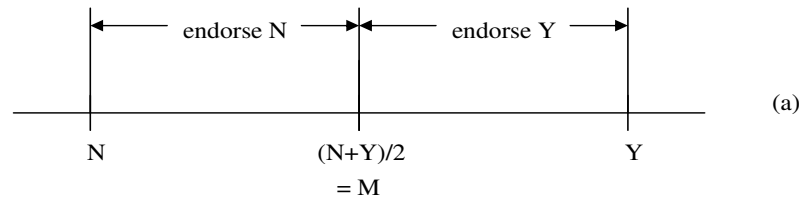


Figure 2
California Endorsers and Voters

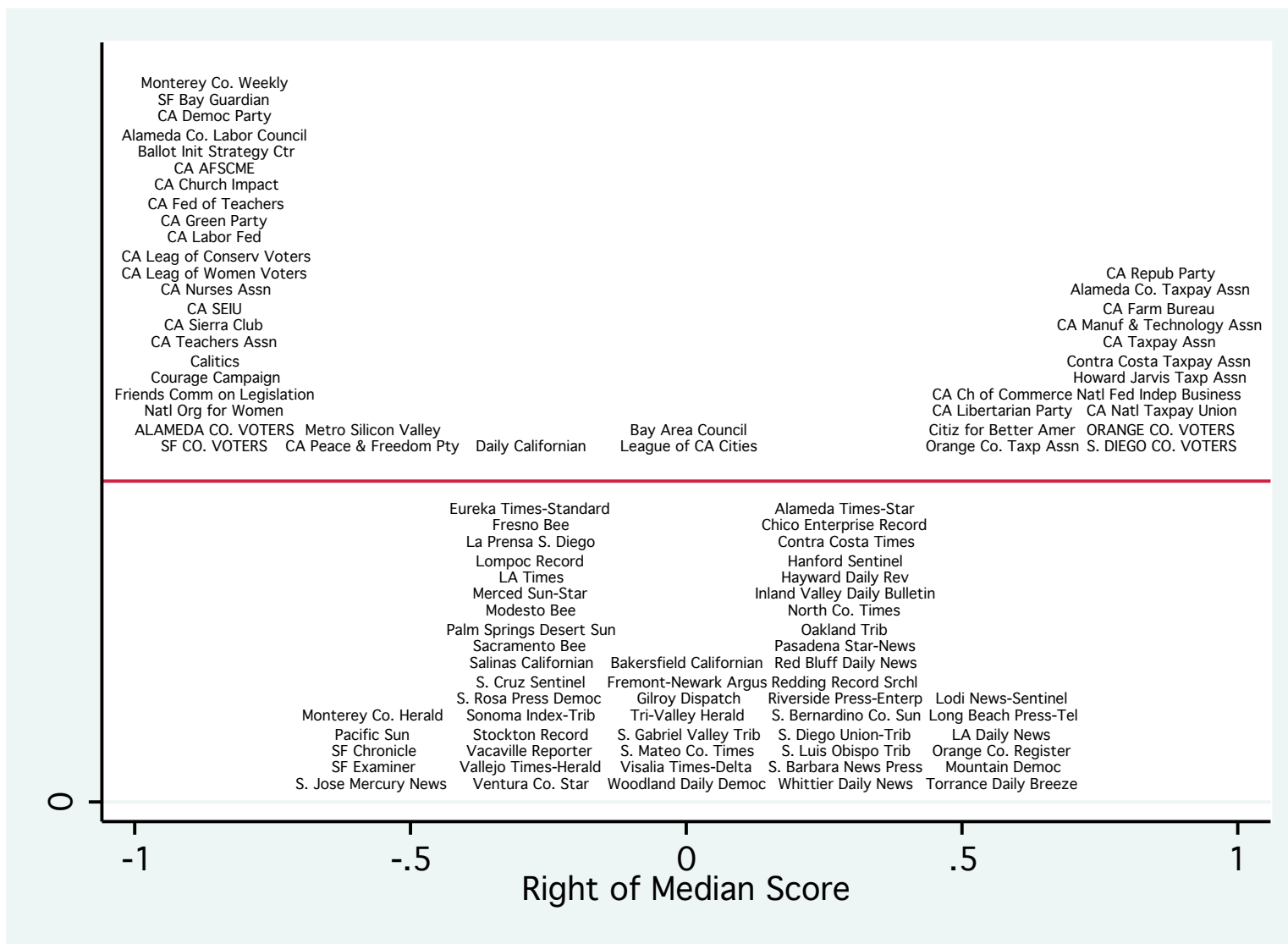
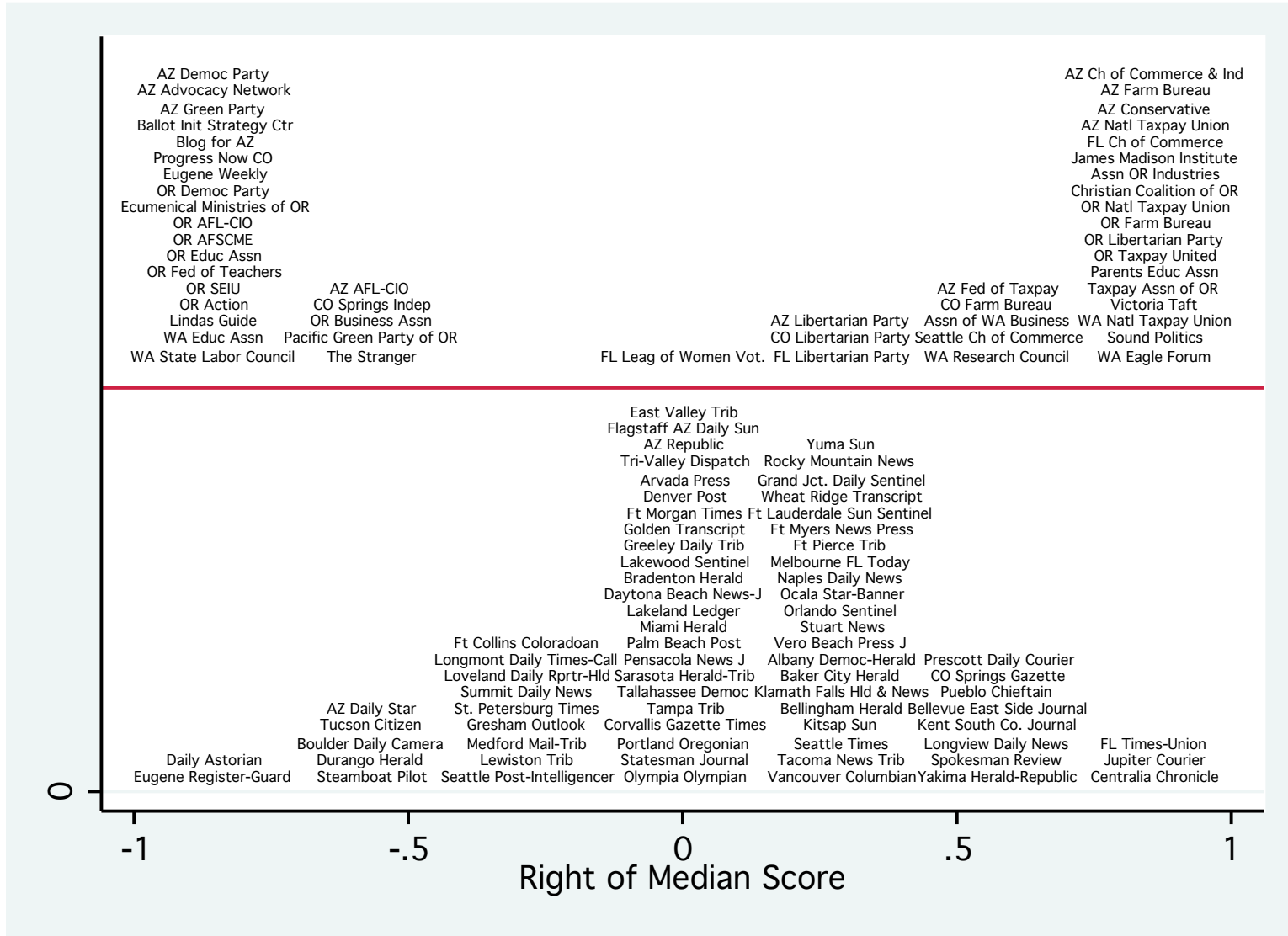


Figure 3

Endorsers in AZ, CO, FL, OR, WA



37

Measurement: the agenda approach

- ▶ One can investigate whether and to what extent during presidential campaigns a given newspaper gives more coverage to issues on which Democrats or Republicans are perceived as more competent (*issue ownership*). E.g.: health care and civil rights vs. defense. Puglisi [2011]: issue coverage by the NYT during the 1946-1996 period.

Measurement: the agenda approach

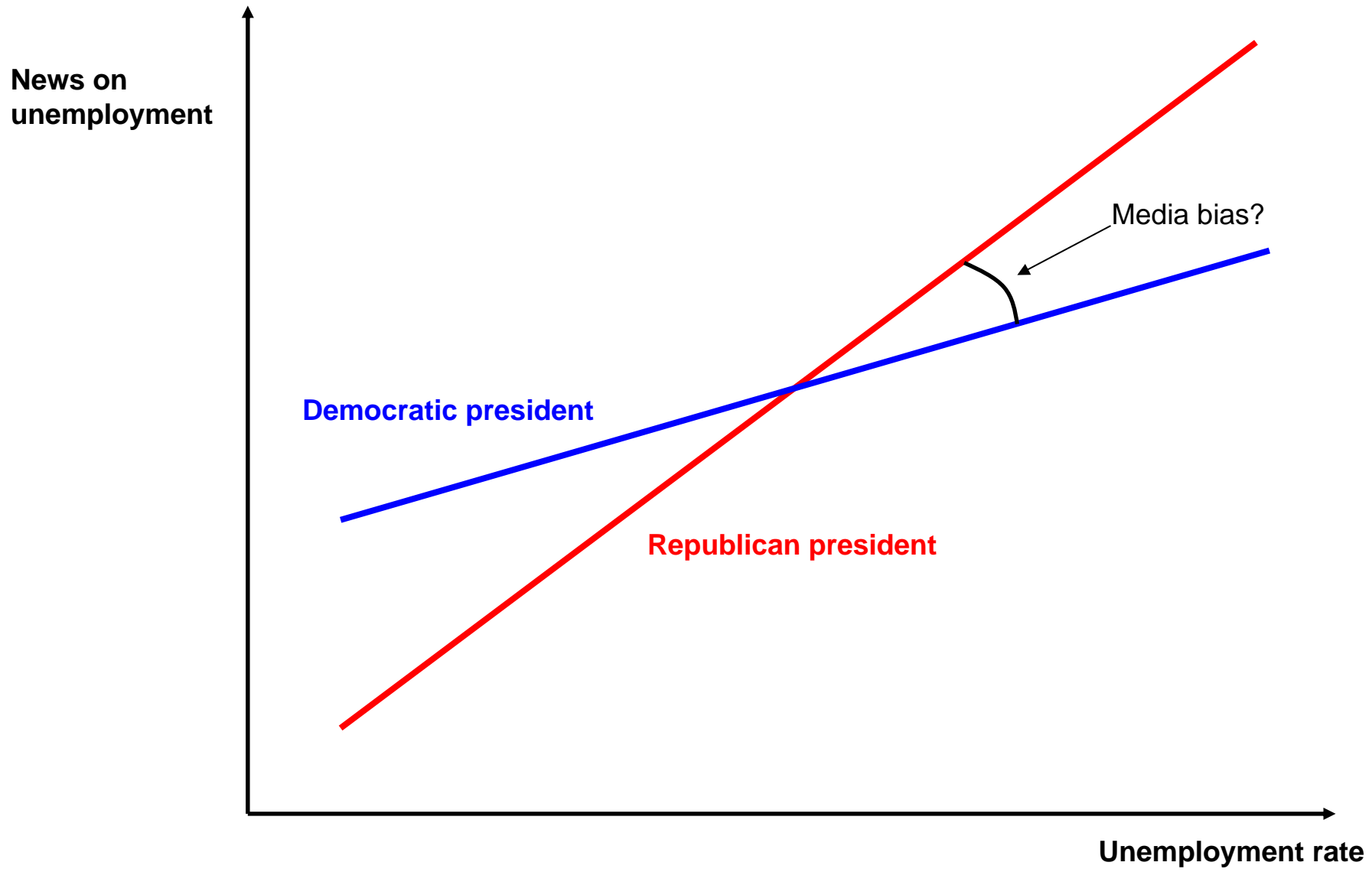
- ▶ One can investigate whether and to what extent during presidential campaigns a given newspaper gives more coverage to issues on which Democrats or Republicans are perceived as more competent (*issue ownership*). E.g.: health care and civil rights vs. defense. Puglisi [2011]: issue coverage by the NYT during the 1946-1996 period.
- ▶ Investigate the variation in coverage of bad economic news, as a function of the political affiliation of the incumbent president. Larcinese *et al.* [2011].

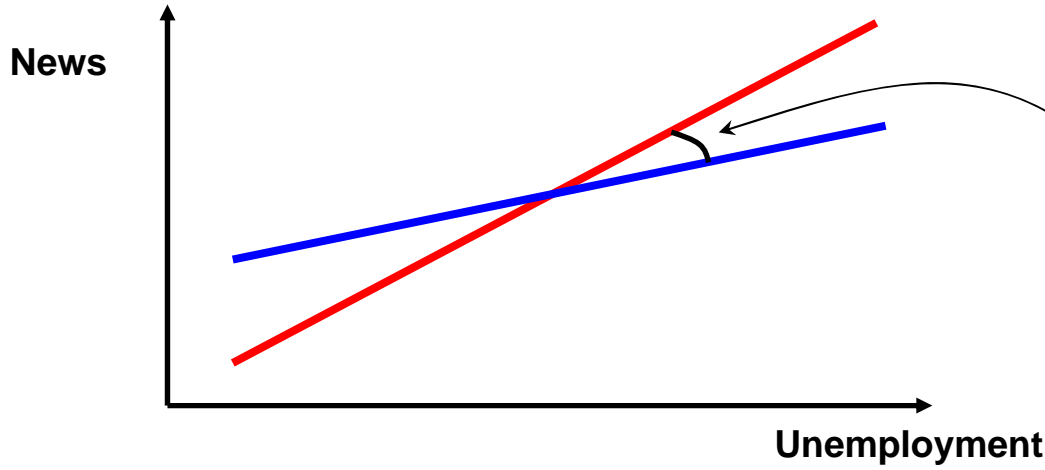
Measurement: the agenda approach

- ▶ One can investigate whether and to what extent during presidential campaigns a given newspaper gives more coverage to issues on which Democrats or Republicans are perceived as more competent (*issue ownership*). E.g.: health care and civil rights vs. defense. Puglisi [2011]: issue coverage by the NYT during the 1946-1996 period.
- ▶ Investigate the variation in coverage of bad economic news, as a function of the political affiliation of the incumbent president. Larcinese *et al.* [2011].
- ▶ Investigate the variation in coverage of corruption scandals, depending on the political affiliation of those involved Puglisi and Snyder [2011].

Measurement: the agenda approach

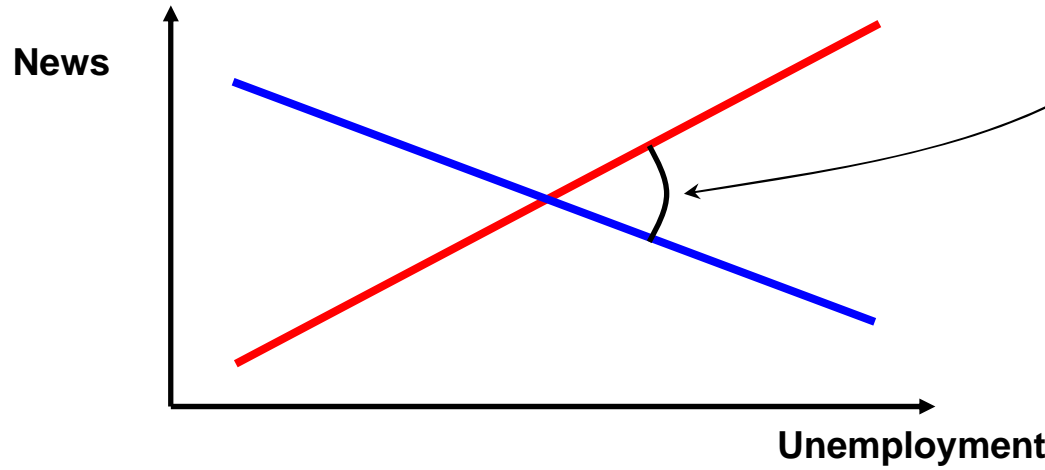
- ▶ One can investigate whether and to what extent during presidential campaigns a given newspaper gives more coverage to issues on which Democrats or Republicans are perceived as more competent (*issue ownership*). E.g.: health care and civil rights vs. defense. Puglisi [2011]: issue coverage by the NYT during the 1946-1996 period.
- ▶ Investigate the variation in coverage of bad economic news, as a function of the political affiliation of the incumbent president. Larcinese *et al.* [2011].
- ▶ Investigate the variation in coverage of corruption scandals, depending on the political affiliation of those involved Puglisi and Snyder [2011].
- ▶ Analyse the variation in the tone of newspaper headlines about the release of macroeconomic figures, again as a function of the political affiliation of the incumbent president. Lott and Hassett [2004].





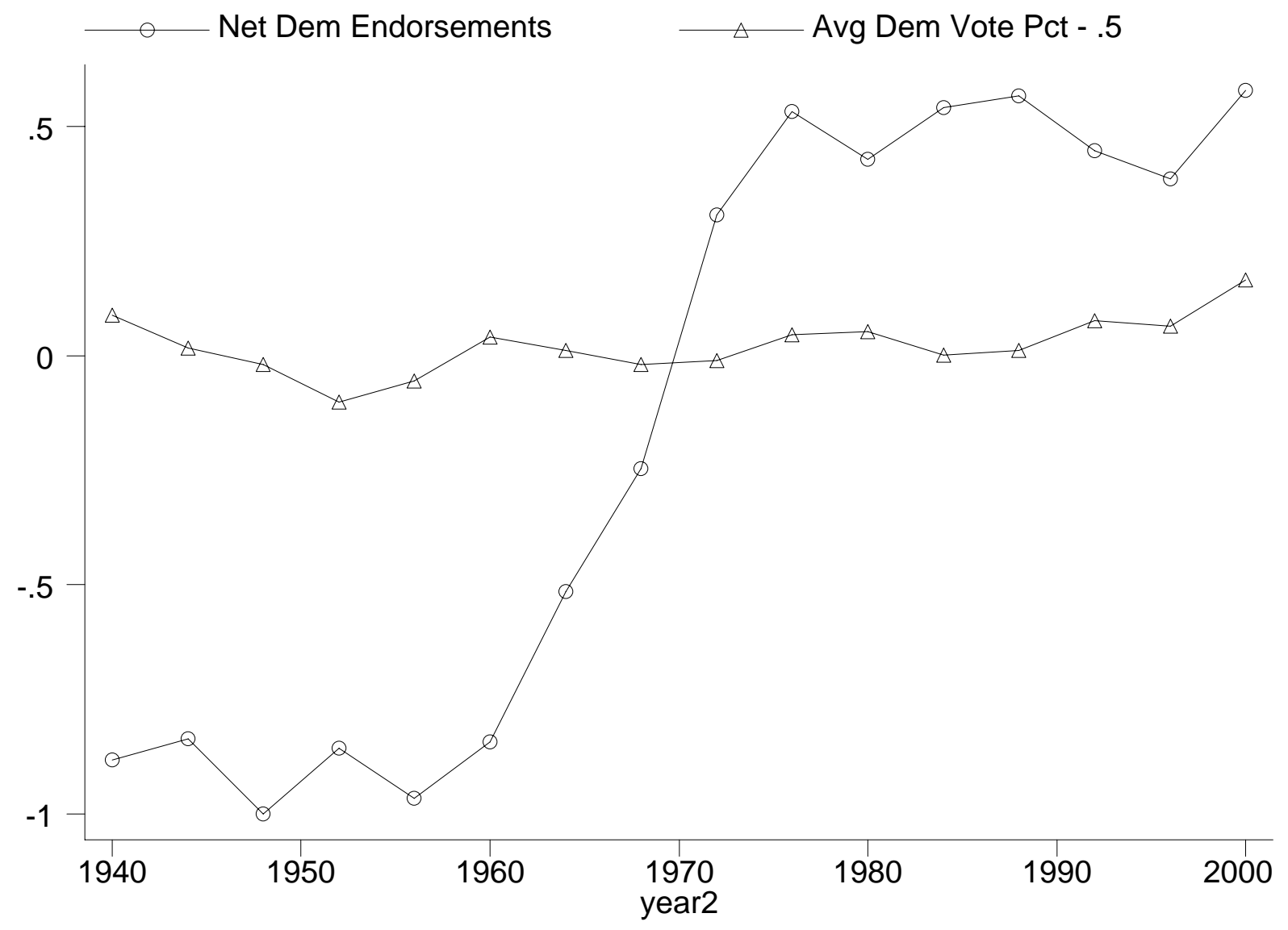
Republican newspaper

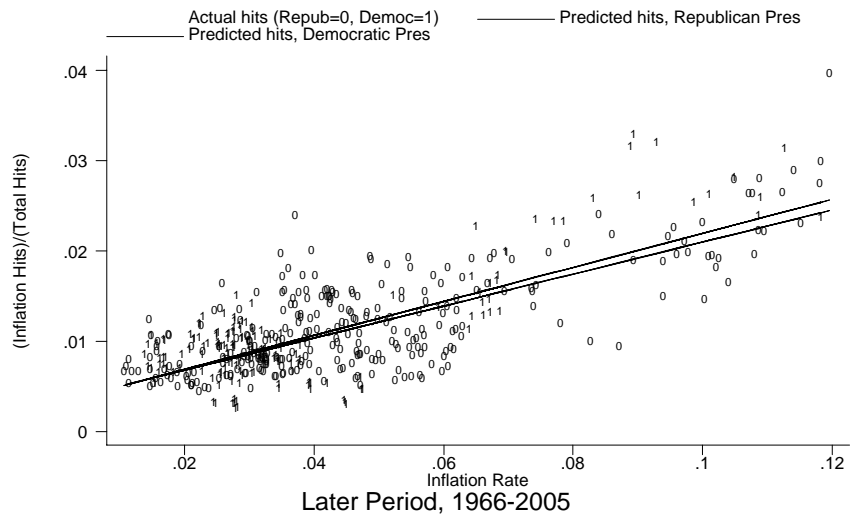
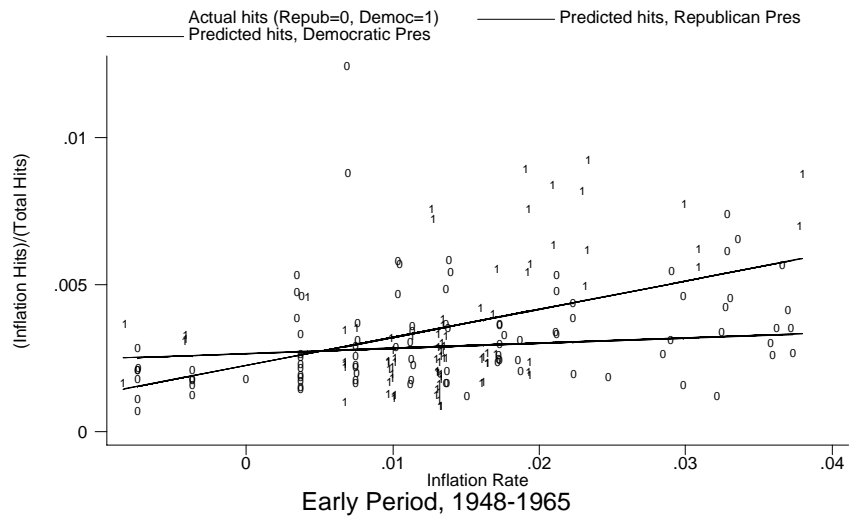
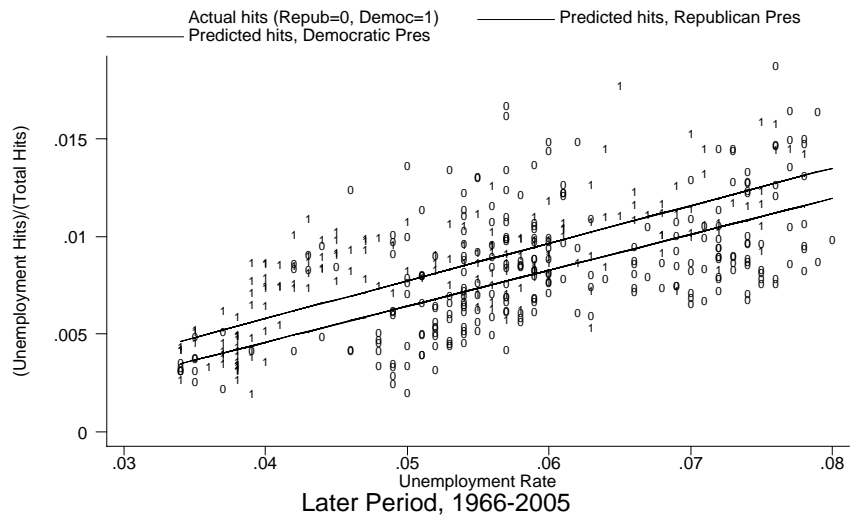
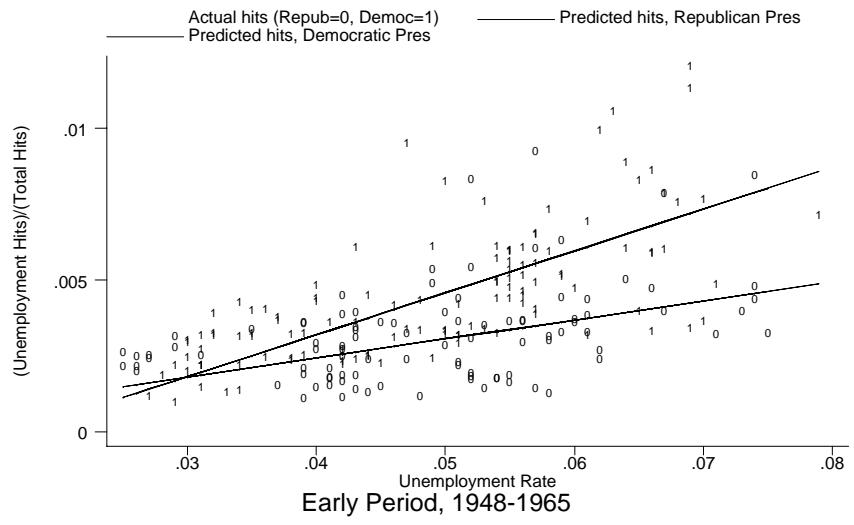
compare them!



Democratic newspaper

Time variation in net Democratic endorsements on the LA Times vs. Democratic vote in California

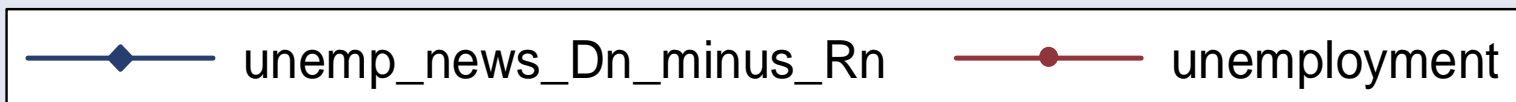
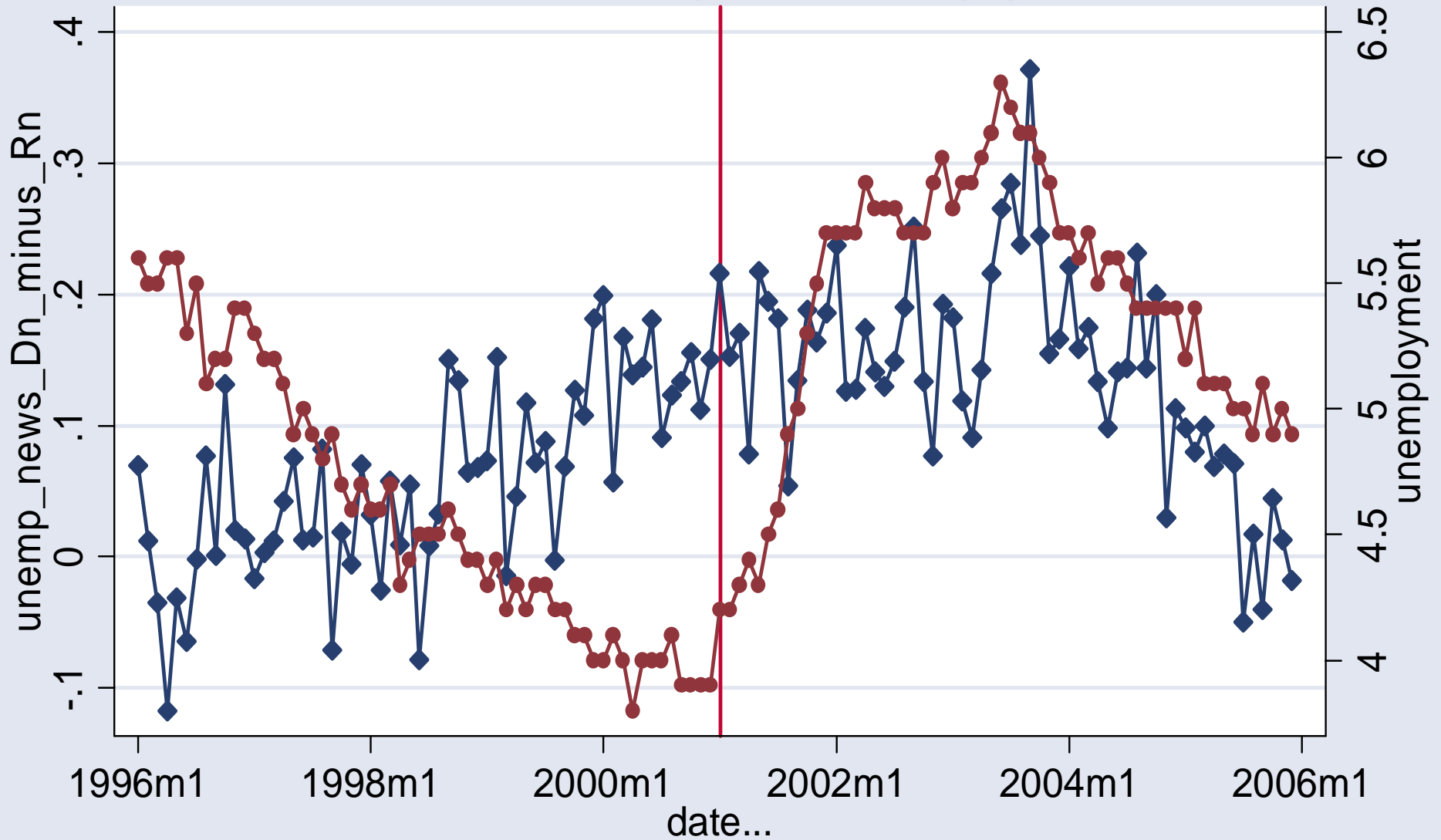




Los Angeles Times, Pre- and Post- Otis Chandler

Unemployment coverage, 1996-2005

Democratic vs. Republican newspapers



Factors affecting the political position of the media

- ▶ Demand side: preferences of readers/viewers for ideologically consonant media content. How to measure it? The average Democratic vote in areas where a given newspaper circulates. Gentzkow and Shapiro [2009].

Factors affecting the political position of the media

- ▶ Demand side: preferences of readers/viewers for ideologically consonant media content. How to measure it? The average Democratic vote in areas where a given newspaper circulates. Gentzkow and Shapiro [2009].
- ▶ Supply side: ideological preferences of owners, editors and journalists. How to measure them? Party donations by owners. Average propensity to endorse Democratic vs. Republican candidates on the editorial page. Larcinese *et al.* [2011], Puglisi and Snyder [2011].

Factors affecting the political position of the media

- ▶ Demand side: preferences of readers/viewers for ideologically consonant media content. How to measure it? The average Democratic vote in areas where a given newspaper circulates. Gentzkow and Shapiro [2009].
- ▶ Supply side: ideological preferences of owners, editors and journalists. How to measure them? Party donations by owners. Average propensity to endorse Democratic vs. Republican candidates on the editorial page. Larcinese *et al.* [2011], Puglisi and Snyder [2011].
- ▶ Other relevant factors: extent of competition on the media market; pressure by incumbent politicians.

Factors affecting the political position of the media

- ▶ Demand side: preferences of readers/viewers for ideologically consonant media content. How to measure it? The average Democratic vote in areas where a given newspaper circulates. Gentzkow and Shapiro [2009].
- ▶ Supply side: ideological preferences of owners, editors and journalists. How to measure them? Party donations by owners. Average propensity to endorse Democratic vs. Republican candidates on the editorial page. Larcinese *et al.* [2011], Puglisi and Snyder [2011].
- ▶ Other relevant factors: extent of competition on the media market; pressure by incumbent politicians.
- ▶ A case study on Italy (time devoted to politicians): Durante and Knight [2009].

The persuasion effects of the media

- ▶ Full-fledged experiment vs. natural experiment.

The persuasion effects of the media

- ▶ Full-fledged experiment vs. natural experiment.
- ▶ Experiment: a free subscription to a right wing newspaper (the Washington Times)) to a random sample, a free subscription to a liberal newspaper to another random sample (Washington Post) + control group. Study the effects on gubernatorial vote in Virginia. Gerber, Karlan and Bergan [2008].

The persuasion effects of the media

- ▶ Full-fledged experiment vs. natural experiment.
- ▶ Experiment: a free subscription to a right wing newspaper (the Washington Times)) to a random sample, a free subscription to a liberal newspaper to another random sample (Washington Post) + control group. Study the effects on gubernatorial vote in Virginia. Gerber, Karlan and Bergan [2008].
- ▶ Natural experiment: correlation between gradual introduction of Fox News in T cable markets and Republican vote in presidential elections. DellaVigna and Kaplan [2007].

The persuasion effects of the media

- ▶ Full-fledged experiment vs. natural experiment.
- ▶ Experiment: a free subscription to a right wing newspaper (the Washington Times)) to a random sample, a free subscription to a liberal newspaper to another random sample (Washington Post) + control group. Study the effects on gubernatorial vote in Virginia. Gerber, Karlan and Bergan [2008].
- ▶ Natural experiment: correlation between gradual introduction of Fox News in T cable markets and Republican vote in presidential elections. DellaVigna and Kaplan [2007].
- ▶ Persuasion and rationality of message recipients: only “surprising” endorsements have significant effects on propensity to vote for that candidate. Chiang and Knight [2011].

Concluding remarks

- ▶ An expanding literature, mainly focused on the US.

Concluding remarks

- ▶ An expanding literature, mainly focused on the US.
- ▶ Relevant aspects: replicable measures and identification of causal effect.

Concluding remarks

- ▶ An expanding literature, mainly focused on the US.
- ▶ Relevant aspects: replicable measures and identification of causal effect.
- ▶ A comparative perspective: approaches to be applied to other countries.