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Political Economy of Mass Media

Dr. Arash Naghavi

WS 2020

Contents. This seminar surveys and discusses some of the main debates concerning the effects of media on political, economic, and social outcomes. We will begin with briefly discussing the economics of particular media industries: newspaper, radio, TV, and the Internet. Then, we will be exploring how informative media affect electoral participation, public policy outcomes, and conflicts.

The topic of the seminar will be introduced by a 3-weeks lecture. Students will present and discuss some recent empirical papers in the second part of the seminar.

Prerequisites. This seminar is a master level seminar. The focus of this seminar is on empirical studies that use state-of-the-art microeconomic techniques. Therefore, seminar participants should have a good knowledge of econometrics.

Time. TBA (my preferred time is Mondays 10:00 - 12:00 Uhr, 12:00 - 14:00 Uhr.)

- You can find below the exact dates of the lectures and student presentations
- Office hours are on Mondays from 10:00 - 14:00 but must be arranged via email

Room. TBA for lectures and student presentations, and via zoom for office hours

Examination.

- Summary report and presentation: writing a 4-5 pages summary report, including possible extension, and a 30-minute presentation of a published paper chosen from the provided list.
- Referee report and presentation: writing a 4-5 pages critical evaluation, including a summary, and a 30-minute presentation of a recent working paper chosen from the provided list.
- The two reports must be sent to naghavi@wiwi.uni-wuppertal.de by TBA.

Syllabus

Notes. This Syllabus may be subject to changes and updates. If you have further questions, please contact Dr. Arash Naghavi (naghavi@wiwi.uni-wuppertal.de).

Introduction on the economics of media industries

Handbook

- Anderson, S. P., Waldfogel, J., & Stromberg, D. (Eds.). (2016). *“Handbook of Media Economics, vol 1A.”* Elsevier.

Survey of the literature

- Prat, A., and Stromberg, D. (2013). *“The Political Economy of Mass Media.”* In *Advances in Economics and Econometrics*, edited by Daron Acemoglu, Manuel Arellano, and Eddie Dekel. Cambridge: Cambridge Univ. Press.
- Sobbrío, F. (2014). *“The Political Economy of News Media: Theory, Evidence and Open Issues.”* In *A Handbook of Alternative Theories of Public Economics*, edited by Francesco Forte, Ram Mudambi, and Pietro Maria Navarra. Cheltenham, UK: Elgar.

Mass media and electoral participation

Newspaper

- Gentzkow, M., Shapiro, J. M., & Sinkinson, M. (2011). *“The effect of newspaper entry and exit on electoral politics.”* *American Economic Review*, 101(7), 2980-3018.
- Drago, F., Nannicini, T., & Sobbrío, F. (2014). *“Meet the press: How voters and politicians respond to newspaper entry and exit.”* *American Economic Journal: Applied Economics*, 6(3), 159-88.

TV

- Gentzkow, M. (2006). *“Television and voter turnout.”* *The Quarterly Journal of Economics*, 121(3), 931-972.
- DellaVigna, S., & Kaplan, E. (2007). *“The Fox News effect: Media bias and voting.”* *The Quarterly Journal of Economics*, 122(3), 1187-1234.
- Durante, R., Pinotti, P., & Tesei, A. (2019). *“The political legacy of entertainment TV.”* *American Economic Review*, 109(7), 2497-2530.

Internet

- Falck, O., Gold, R., & Heblich, S. (2014). *“E-lections: Voting Behavior and the Internet.”* *American Economic Review*, 104(7), 2238-65.

- Campante, F., Durante, R., & Sobbrío, F. (2018). "Politics 2.0: The multifaceted effect of broadband internet on political participation." *Journal of the European Economic Association*, 16(4), 1094-1136.
- Gavazza, A., Nardotto, M., & Valletti, T. (2019). "Internet and politics: Evidence from UK local elections and local government policies." *The Review of Economic Studies*, 86(5), 2092-2135.

Mass media and public policy outcomes

Public policies

- Besley, T., & Burgess, R. (2002). "The political economy of government responsiveness: Theory and evidence from India." *The Quarterly Journal of Economics*, 117(4), 1415-1451.
- Strömberg, D. (2004). "Radio's impact on public spending." *The Quarterly Journal of Economics*, 119(1), 189-221.
- Eiseensee, T., & Strömberg, D. (2007). "News floods, news droughts, and US disaster relief." *Quarterly Journal of Economics*, 122(2).

Consumer behavior and preferences

- Bursztyn, L., & Cantoni, D. (2016). "A tear in the iron curtain: The impact of western television on consumption behavior." *Review of Economics and Statistics*, 98(1), 25-41.
- Olken, B. A. (2009). Do television and radio destroy social capital? Evidence from Indonesian villages. *American Economic Journal: Applied Economics*, 1(4), 1-33.

Education

- Reinikka, R., & Svensson, J. (2005). "Fighting corruption to improve schooling: Evidence from a newspaper campaign in Uganda." *Journal of the European economic association*, 3(2-3), 259-267.
- Gentzkow, M., & Shapiro, J. M. (2008). "Preschool television viewing and adolescent test scores: Historical evidence from the Coleman study." *The Quarterly Journal of Economics*, 123(1), 279-323.
- Keefer, P., & Khemani, S. (2014). "Mass media and public education: The effects of access to community radio in Benin." *Journal of Development Economics*, 109, 57-72.

Mass media and conflict

- DellaVigna, S., Enikolopov, R., Mironova, V., Petrova, M., & Zhuravskaya, E. (2014). "Cross-border media and nationalism: Evidence from Serbian radio in Croatia." *American Economic Journal: Applied Economics*, 6(3), 103-32.
- Yanagizawa-Drott, D. (2014). "Propaganda and conflict: Evidence from the Rwandan genocide." *The Quarterly Journal of Economics*, 129(4), 1947-1994.

- Adena, M., Enikolopov, R., Petrova, M., Santarosa, V., & Zhuravskaya, E. (2015). "Radio and the Rise of the Nazis in Prewar Germany." *The Quarterly Journal of Economics*, 130(4), 1885-1939.
- Qin, B., Strömberg, D., & Wu, Y. (2017). "Why does China allow freer social media? Protests versus surveillance and propaganda." *Journal of Economic Perspectives*, 31(1), 117-40.
- Durante, R., & Zhuravskaya, E. (2018). "Attack when the world is not watching? US news and the Israeli-Palestinian conflict." *Journal of Political Economy*, 126(3), 1085-1133.
- Armand, A., Atwell, P., & Gomes, J. (2020). "The reach of radio: Ending civil conflict through rebel demobilization." *American Economic Review*, 110 (5): 1395-1429.

Student presentations

10:00 - 14:00: Student presentations of published papers

Students will choose one paper from the list below, read it carefully, write a 4-5 pages summary of the paper, and present it on this date. The papers are uploaded on Moodle in a .zip file named "summary_report_papers". Papers are assigned on a first-come-first-serve basis. An instruction on how to write the summaries will be provided on **TBA**. The summaries must be sent to naghavi@wiwi.uni-wuppertal.de by **TBA**.

- Chen, Y., & Yang, D. Y. (2019). "The impact of media censorship: 1984 or brave new world?" *American Economic Review*, 109(6), 2294-2332.
- Knight, B., & Tribin, A. (2019). "The limits of propaganda: Evidence from chavez's venezuela." *Journal of the European Economic Association*, 17(2), 567-605.
- Allcott, H., Braghieri, L., Eichmeyer, S., & Gentzkow, M. (2020). "The welfare effects of social media." *American Economic Review*, 110(3), 629-76.

This list will be completed.

Student presentations

10:00 - 14:00: Student presentations of recent working papers

Students will choose one paper from the list below, read it carefully, write a 4-5 pages referee report of the paper, and present it on this date. The papers are uploaded on Moodle in a .zip file named "referee_report_papers". Papers are assigned on a first-come-first-serve basis. An instruction on how to write a referee report will be provided on **TBA**. The referee reports must be sent to naghavi@wiwi.uni-wuppertal.de by **TBA**.

- Qin, B., Strömberg, D., & Wu, Y. (2019). "Social media, information networks, and protests in China." *Work. Pap.*, Stockholm Univ., Stockholm, Sweden.
- Zhuang, M. (2019). Intergovernmental conflict and censorship: Evidence from china's anti-corruption campaign. Available at SSRN 3267445.
- Grossman, G., Margalit, Y., & Mitts, T. (2020). "Media Ownership as Political Investment: The Case of Israel Hayom."

- Bursztyn, L., Egorov, G., Enikolopov, R., & Petrova, M. (2019). *“Social media and xenophobia: evidence from Russia.”* No. w26567. National Bureau of Economic Research.

This list will be completed.