

Dissertation Abstract

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Title: Politics, Competition, and the Media

Chapter I -- Political Differentiation in Newspaper Markets (job market paper)

Economists disagree about whether competition between media outlets makes their ideologies converge or diverge. This paper analyzes how media competition affects the political ideologies of media outlets as well as news consumption of the general public. Using the National Annenberg Election Surveys in 2000 and 2004, the empirical results show that moderate voters are more likely to read a local newspaper than those at the extremes. However, newspaper competition has a larger positive effect on newspaper reading for people at the extremes. The results also show that newspaper competition reduces incentives among those with extreme ideologies to access political information online. These results suggest that readers prefer a newspaper with an ideology that is closer to their own, and that newspaper competition will make newspapers specialize in different ideologies.

Chapter II -- Electoral Competition and Media Bias

During an election period, the media plays an important role by providing background information on candidates to the general public. However, the media can be biased in favor of a specific candidate. If media bias is generated to cater to the major preferences in the media market, we should see more news coverage of the Republican candidate in markets where the majority of viewers is Republican. However, if the media bias comes from the motivation to impact the outcome of the election, we will see more media bias in media markets where the election is more competitive. In this paper, a simple model is constructed to explain how electoral competition affects media bias under the motivation to impact the election outcome. In the empirical analysis, media bias is measured by the relative length of presidential candidates' sound bites in local TV news stories prior to the 2000 presidential election. The data shows that media bias is greater in media markets where the election is more competitive, which implies that media bias comes primarily from the desire to affect the election outcome.

Chapter III -- The Influence of Political Advertisements

During campaigns, the credibility of sources of political ads may determine how effective they are. The goal of this paper is to test this hypothesis by examining if voters respond more to advertisements from the political party they prefer. Since the allocation of ads may be correlated with the characteristics of voters, an OLS estimate could be biased. To address this issue, we use the fact that the boundaries of media markets are different from the boundaries of states. Therefore, the political advertisements aired in a state are affected by the characteristics of the adjoining states in the same media market. By using the variation in political ads caused by the characteristics of the adjoining states in the same media market, we can test if political advertisements have differential effects on the favorability of candidates for voters with different political affiliations. The preliminary results show that voters respond more to the ads from the political party with which they are affiliated. This suggests that even when voters cannot choose the type of information they receive, information consistent with their prior beliefs is more influential.