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Journal of Public Economics

journal homepage: www.elsevier.com/locate/jpube



The impact of commercial television on turnout and public policy: Evidence from Norwegian local politics[☆]



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ARTICLE INFO

Keywords:
Media
Voting
Inequality
Local government
Public economics
JEL classification:
D70

H72

L82

ABSTRACT

We investigate the impact of commercial television on political participation and local policy outcomes. Exploiting a geographically staggered expansion of cable television after the liberalization of Norwegian broadcasting in 1981, we show that higher cable television penetration significantly reduced turnout in municipal elections. Using individual-level data, we find that cable television coverage had a negative effect on the extent to which respondents were exposed to political information through mass media. The effect is more pronounced for individuals that on average watch more cable television; namely individuals with fewer years of schooling. Consistent with an increased difference in political participation and exposure to information between more and less educated groups, we find that commercial television led to reduced public spending and increased the share spent on education. The results are evidence that commercial mass media can influence electoral politics by reducing political participation and exposure to information of its target audiences.

1. Introduction

Informed citizens are more likely to vote, hold politicians accountable, and influence policy making (Snyder and Strömberg, 2010). Since mass media are the most important source of information for many voters, the introduction of new mass media can have effects on politics. The literature emphasizes two opposing effects of introducing new mass media on voters' exposure to political information. While new mass media may increase voters' exposure to information by facilitating access (Besley and Burgess, 2002; Strömberg, 2004b), they may also lower exposure to information by inducing substitution towards content with less political information. In a media environment characterized by a varied supply of content, individual preferences can play a crucial role in determining who is informed and who participates in politics (Prior, 2007). If voters differ in their demand for media content, an increased supply of low-information content may exacerbate differences in turnout and exposure to information among different groups of voters. The aim of this paper is to shed light on these issues by exploiting plausibly exogenous variation in local cable network penetration following the deregulation of Norwegian broadcasting in the 1980s. Did the diffusion of commercial television influence political participation and exposure to political information for different groups of voters, and did it thereby influence policy outcomes?

We study these questions formally with a probabilistic voting model where preferences over mass media content affect the extent to which voters are informed about policy platforms, a framework inspired by Strömberg (2004a) and Prat and Strömberg (2005). When commercial television is introduced, some individuals adjust their television consumption towards less politically informative commercial television content. This leads groups with a stronger preference for commercial television to become less exposed to relevant political information and to vote less. Further, the model offers several predictions depending on the audience shares of commercial television for different groups. Groups with a higher share of commercial television viewers experience a greater reduction in turnout and exposure to political information when cable television is introduced. Moreover, since politicians choose policy platforms to maximize their vote share, they spend less on categories targeted to groups with higher audience shares.

We test these predictions by estimating the impact of the rollout of cable television on various local political outcomes in Norway. The

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^{*}Some of the data applied in the analysis in this publication are based on "Local Election Survey 1995–2007," financed by Institute for Social Research (ISF), Department of Political Science, University of Oslo and the Ministry of Regional Development and Local Government, and "Media Use Survey 1991–2004". The surveys are provided by Statistics Norway, and prepared and made available by the Norwegian Social Science Data Services (NSD). Neither ISF, the Ministry of Regional Development and Local Government, Statistics Norway, Department of Political Science, University of Oslo nor NSD are responsible for the analyses/interpretation of the data presented here. We thank Maria Petrova, two anonymous referees, and the editor for valuable comments and suggestions.

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content broadcast through cable was markedly different from the universally available public broadcaster which operated under a broad public service mandate. The rollout provided easy access to new forms of content, with potentially detrimental effects on exposure to relevant information about politics. To address the potential endogeneity of commercial television access, we exploit particularities of the rollout of cable television after the end of the Norwegian broadcasting monopoly in 1981. In short, the rollout of cable network infrastructure initiated by the liberalization was driven by factors on the supply side, which meant that the expansion pattern was determined by topographical constraints and economies of scale related to population density. Our identifying assumption is that the geographical rollout of cable television infrastructure was uncorrelated to unobservable factors that could have generated local variation in the development of turnout, conditional on time invariant municipality characteristics and population density. We present a range of robustness checks and other evidence in support of our identifying assumption. Moreover, for all our main estimates we employ a baseline specification that in addition to municipality and time fixed effects includes a wide range of time-varying socioeconomic and demographic controls as well as allows for differentiated time trends depending on pre-reform differences in population density.

We find that increased cable television coverage caused turnout to drop in municipal elections, and to a lesser extent, in national elections. In our preferred specification, the change from zero to full coverage is associated with a 2.5 percentage points drop in average turnout in municipal elections. Motivated by survey evidence showing that low education was an important predictor for whether the commercial channels were actually watched, we partition municipalities into high-and low-education groups, and find that the negative estimated effect is around twice as large in municipalities with a relatively low education level. Consistent with cable television access having stronger negative effects on the political participation for certain groups, we find effects on policy outcomes. Increased cable television coverage is associated with lower municipal government spending per capita. In addition, it increased the share spent on education and reduced the share spent on social expenditures.

Next we investigate the mechanism in more detail using individuallevel data from the official local election surveys and from media use surveys. First, we find that at the individual level too, the negative impact of access to cable television on turnout is stronger for individuals with fewer years of schooling. Second, we find that the impact via consumption of television news shows is ambiguous, as people on average watched somewhat more news, however of a light, tabloid kind which contained little political information. Further, we find a negative effect of increased cable television coverage on reported exposure to information about local elections from television. This effect is also stronger for less-educated individuals. These findings indicate that the entry of cable television increased the difference in turnout and exposure to political information of high- and low-educated individuals. The results support the predictions of the model and are consistent with the hypothesis that less politically informative media can decrease the relative political influence of their audience.

This paper is closely related to a working paper by Prat and Strömberg (2005), which found evidence that commercial television increased political participation and knowledge in national elections in Sweden. Our paper differs in several ways. First, we study the effect of commercial television on inequality in participation and exposure to political information. Second, we exploit plausibly exogenous variation in cable network penetration. Third, our analysis uses aggregate data to study the effects on turnout and policy, as well as individual-level data to conduct a detailed examination of the mechanisms. In addition, we are able to study a much longer time period. Prat and Strömberg (2005) found that commercial television increased political knowledge and participation by attracting new audiences to watching television news. We are not able to examine that hypothesis in detail, but our finding that commercial television reduced political information acquired from

television goes in the opposite direction. One plausible explanation for this difference is that the content of commercial channels may be more politically relevant for national elections, as studied by Prat and Strömberg (2005), than for local elections, which we emphasize. This highlights the importance of substitution between more- and less-informative television content in shaping political behavior and outcomes.

Our paper contributes to a literature in economics on the effects of television on political participation and information. Gentzkow (2006) studies the introduction of television on voter turnout in US counties and finds that the introduction of television reduced turnout. He finds evidence that substitution away from other media with more political information was an important mechanism. On the other hand, Sørensen (2016) estimates that the introduction of public television in Norway in the 1960s increased turnout and became an important source of political information. Findings in Prior (2005) potentially explain the discrepancy between these results by pointing to the salience of consumers' content choice set. He argues that increases in consumers' content choice set can reduce political knowledge and turnout for people with less interest in politics, since the probability of accidental exposure to political information is lowered. He finds supportive evidence for this in survey data with detailed measures of political knowledge and content preferences. Our results support this view. We contribute to the literature by studying the increase in inequality in turnout and exposure to political information by using plausibly exogenous variation in access to commercial television and by showing that the effects documented in Prior (2005) are not unique to the United States. Importantly, we add to this literature by studying the consequences of these effects on policy outcomes. Moreover, our results contribute by presenting evidence on the political impacts of the diminished role of public service broadcasting experienced by many countries in the last decades.

More generally, our paper is related to the literature studying the effects of entertainment media on politics. Campante and Hojman (2013), DellaVigna et al. (2014), Miner (2015), Enikolopov et al. (2016), and Durante et al. (2015) show that entertainment media can have unintended effects on political outcomes ranging from political polarization, ethnic animosity, democratization, protest participation, and support for populist policy platforms respectively. Gavazza et al. (2016) study the effect of internet penetration on local politics in the United Kingdom. In line with our findings, they find that internet penetration makes policies less favorable to poorer and less-educated voters. We complement their findings by showing similar effects in a different setting and for a different mass medium. In addition, we extend their findings by using individual-level data on exposure to political information to show evidence related to the mechanism through which media are likely to affect turnout and policy.

Lastly, our paper is related to the literature on inequality and redistribution. Classical approaches such as Meltzer and Richard (1981), Lindbeck and Weibull (1987), and Strömberg (2004b), emphasize the role of inequality in influencing policy through altering the preferred redistribution of voters. Petrova (2008) argues that economic inequality increases the incentives of the rich to capture mass media in order to reduce political support for redistribution and finds evidence for this mechanism in a cross-country analysis. We study how mass media can reduce support for redistribution through a different channel. We contribute to this literature by presenting evidence on how less informative media can increase inequality of political knowledge and participation, and the potential consequences this has for policy-making both theoretically and empirically.

¹ Even more generally, we contribute to the empirical literature in economics that studies media effects on various outcomes. This literature is too large to summarize here. See, for example DellaVigna and Ferrara (2015), and Puglisi and Snyder (2015) for recent surveys of this literature.

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