

**THE POLITICAL ECONOMY OF MEDIA**  
**ECO334H1S WINTER 2020**  
**THURSDAYS 1 TO 4 AT BL 313**

Information is crucial for a democracy to succeed. In this course, we will develop tools to (1) analyze voters, including the interaction between voters and media, (2) evaluate theories of voter learning and bias. Using the empirical literature on media and the political economy of media, we will explore the effects of innovations in Information and Communications Technology (ICT) and evaluate how the empirical results square with the theory. We will study newspapers, radio, television, cable, the Internet and social media, and focus on empirical methods used to identify effects of media on voters.

The goal of this course is to apply an intuitive theoretical framework to effectively evaluate scholarly work on voter information and the political economy of media. The level of instruction is equivalent to a typical advanced microeconomics course. Specifically, guided by the economics of supply and demand, the course will provide a new lens through which to understand the news produced by media and reasons you may choose to consume it.

**INSTRUCTOR:**

Professor Yosh Halberstam, [yosh.halberstam@utoronto.ca](mailto:yosh.halberstam@utoronto.ca)

Office: Department of Economics, GE 311

Office Hours: Fridays 10:00 to 12:00pm by appointment only

Appointments must be made at least 24 hours in advance at:

<http://www.calendly.com/yosh/oh>

**TEACHING ASSISTANT:**

Alexandre Lehoux, [alexandre.lehoux@mail.utoronto.ca](mailto:alexandre.lehoux@mail.utoronto.ca)

Tutorial: Thursdays 4 to 5 at BL 313 when announced

Office Hours: Tuesdays 3 to 4 at GE 213 in the economics department

**EVALUATION:**

Problem sets - 20%

Midterm - 30%

Quizzes - 10%

Presentation - 10%

Research proposal - 30%

**LECTURES:**

The lectures will include class activities and discussions. There is no textbook for the course. In the first half of the semester, the lectures will develop a theoretical framework for analyzing subsequent empirical work presented in the second half of the course. The course assumes knowledge of Bayes' rule and algebra of normal and uniform distributions as well as basic econometrics (e.g., OLS and IV).

There are 2-3 required readings per week and several suggested readings for each lecture. To improve your learning experience as well as everyone else's, you are expected to read the course references before class. Guidance to specific sections in the readings in the form of questions or mathematical support will be posted on Quercus. The lectures build on the readings. The focus is on the empirical strategies used by the authors to overcome inherent endogeneity in media markets. Similar issues arise in many markets, making the new investments in identification apply broadly in applied economics.

To reinforce the emphasis on exposure to empirical research, in addition to class discussion, lecture time includes quizzes, class surveys, and class experiments. The class data collection and their subsequent analysis sets the tone for the second half of the semester.

#### TUTORIALS:

The tutorials aim to support what is covered in the lectures and the timeline for course assignments. In the weeks preceding the midterm, the tutorials will focus on problem solving and reviewing the economic theory. Following the midterm, the tutorials will support you in preparing for your presentation and research proposal as well as reviewing key econometric concepts integral to the empirical work we will discuss in the lectures.

#### PROBLEM SETS:

There will be two problem sets that address the material covered in the lectures. The first problem set will be due before the midterm and the second after the midterm, on weeks 4 and 10. The goal of the problems is to help you internalize some of the theoretical and empirical concepts obtained in class. To earn credit, you must hand in your work on time. There are no extensions. If you cannot make it to class, you may email your problem set to the TA no later than 1:00pm on the day it is due.

#### QUIZZES:

There will be 5 in-class graded quizzes (no makeups) given following the midterm. The best 4 of 5 quizzes will count toward your grade. The quizzes will refer to that week's readings and are used to facilitate subsequent discussion and encourage class preparation as well as provide me with valuable feedback on your collective understanding. I will provide aggregate survey results when applicable and possible.

#### MIDTERM:

There will be a midterm in class on week 5 focusing on the theory. The midterm will include any material we address by then, including the readings we address in class. The midterm will comprise a analytical problems, and may include multiple-choice and short essay questions as well.

#### PRESENTATION:

In the second half of the course, we will cover empirical studies that assess the influence of media on voters and political outcomes. Groups of 2-3 students will be asked to contribute by discussing recent empirical work that is related to and builds on the required readings of the week. Each team will have about 10 minutes to present a paper listed in the course references for that week but is not required (\*) or a paper that cites one of the required readings. A signup sheet will be accessible [here](#) after the midterm.

Each group is asked to prepare up to 10 slides that accompany the presentation. The presentation should explain how the paper you chose (a) broadly relates to that week's readings (b) makes use of data to contribute to our assessment of the readings, and (c) deepens our understanding of the readings (e.g., what do you understand more about x by reading y). The evaluation is based on the three elements above, in addition to the timing and coherence of the presentation as well as the quality of the slides.

The slides should be emailed to me in PDF format no later than Wednesday at 1:00pm, the day before the presentation.

#### RESEARCH PROPOSAL:

We will be using the software PeerScholar for the implementation of this assignment. The entire exercise is conducted online (further details will be provided later in the course). You will be asked to apply the skills you obtained in the class in a research proposal on a phenomenon related to voters and media, drawing from at least 3 academic sources. The writing assignment is a short (1000 to 1500 words) research proposal applying tools and results from the course to a question related to voters and media. The focus is on applied methods, not extensive survey of literature.

The assignment will be staged with two submissions, with an intervening peer assessment:

1. A proposal outline is due by Thursday, March 5, at 1:00pm.
2. Students will then be assigned two classmates' papers to read and provide constructive feedback and suggestions. The deadline for submitting the peer assessments is Thursday, March 26, at 1:00pm.
3. Students will then have until Wednesday, April 8, at 1:00pm to submit their final proposal that incorporates any useful suggestions or insights from the peer review process. Included in this submission will be a short reflection (up to 250 words) on the peer reviews received, as well as an explanation of any other revisions made to the proposal outlined in the first submission.

The final grade for paper will be based on:

1. The proposal outline; (25%)
2. The peer assessments provided for other papers; (25%)
3. The final proposal, including the self-assessment and explanation of the revisions to the first draft. (50%)

#### COMMUNICATION AND RULES:

We will use Quercus as our main repository for course materials and announcements. There are typically no extensions or make-ups. Penalty for lateness may range up to 10 percent of your assignment grade per day. The TA is your initial contact for any course logistics. Any appeal to reverse a TA decision must be filed to me in writing using no more than 250 words together with supporting documents if applicable.

#### PLAGIARISM:

Academic integrity is of utmost importance. Please be diligent to attribute any work that is not originally yours. Attribution is key to protecting the value of your degree and your hard work. Many current events where integrity-related issues have had serious consequences. Please consult the OSAI website on the student code of conduct: <http://www.artsci.utoronto.ca/osai/students>

#### COURSE OUTLINE:

Date	Week	Topic(s)	Notes
Jan 8	1	Introduction	
Jan 16	2	Voter information	
Jan 23	3	Information aggregation	
Jan 30	4	Herding and segregation	Problem set 1 due
Feb 6	5	Midterm	In class
Feb 13	6	Political economy of media	
Feb 20	--	Reading week	
Feb 27	7	Newspapers	
Mar 5	8	Radio	Proposal outline due
Mar 12	9	Television and cable I	
Mar 19	10	Television and cable II	Problem set 2 due
Mar 26	11	The Internet	Peer assessments due
Apr 2	12	Social media and blogs	