



## 7,666: Media Economics

### Subject information

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ECTS-Credits: 3

### Attached courses

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Timetable	Language	Lecturer
<a href="#">7,666,1.00 Media Economics</a>	English	<a href="#">Benesch Christine</a>

### Course information

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#### Course prerequisites

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Good knowledge in microeconomics and empirical methods

#### Course content

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Recently, traditional media industries have come under economic pressure. This development has attracted worries not only with regard to the structure and scope of media industries and media markets but also with respect to the functioning of democracy.

In this course, we will analyze the peculiarities of media markets and the role of media in politics and other parts of the society from an economic perspective. The course will cover basic media economic concepts as well as go into the political economy of the media. Lectures will be based on recent economic research and, both, theoretical models and empirical studies will be discussed. Topics include the following:

Topic 1: Media industries and markets

- Information as a good
- Media markets as two-sided markets
- Preference externalities in media markets
- Public versus private provision of news

Topic 2: Media bias: sources and effects

- Political capture of the media
- Advertising bias
- Ideological media bias: supply and demand side explanations
- Persuasion

Topic 3: Media, electoral competition and public goods provision

- Effects of media diffusion on voter turnout
- Media coverage, politicians' behavior and political selection
- Media effects on public good provision

Topic 4: Media and the corporate sector

- Media effects in financial markets
- Corporate governance role of the media

Topic 5: The Internet and the market for news

- Effects of online advertising on news media
- Online news aggregation and news production
- Internet and extremism

#### Course structure

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Lecture (10 sessions) and self-study (2 sessions).

Scientific discussions form an integral part of the course. Students are expected to read the compulsory literature in advance and to actively participate in class.

Contextual Studies are considered part of **Contact Learning**; thus, taking part properly implies **regular attendance**. It is the students' own responsibility to ensure that there is **no timetable clash** between the courses they have chosen.

#### Course literature

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The course will be based on recent theoretical and empirical research in media economics. Compulsory literature for each topic will be assigned in class. Slides will cover the main points discussed.

Introductory literature / reference:

Hamilton, James T. (2004). *All the News That's Fit to Sell. How the Market Transforms Information into News*. Princeton, NJ: Princeton University Press.

Prat, Andrea and David Stromberg (2011). The Political Economy of Mass Media. Working Paper, London School of Economics and Stockholm University.

Economist (2011). A Special Report on the News Industry. *The Economist*, July 9, 2011.

#### Course additional information

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### Information about the Examination

#### Examination type

**central - Written examination (100%, 90 mins.)**

#### Examination aids

##### **Closed Book**

The following rules apply to all examinations irrespective of requirements and use:

- A simple pocket calculator is admissible (for the definition of simple pocket calculators incapable of communication, cf. general regulations concerning examination aids of 14 December 2010 and note the "Pocket calculators" fact sheet). Any other EDP and electronic means of communication such as notebooks, PDAs and mobile telephones, etc., are inadmissible.
- A bilingual dictionary (without handwritten notes) may be used if the examination questions and/or answers are not in the candidate's native language. Electronic dictionaries are inadmissible.
- The procurement of these examination aids is exclusively the students' responsibility.
- No other examination aids are admissible.

Question language: **English**

Answer language: **English**

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#### Examination content

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The exam will cover the entire content of the lectures (including discussions), the content of the self-study sessions, the compulsory literature specified in the syllabus and the slides which will be posted on StudyNet until 20.12.2011, 23:59.

Additional literature mentioned in the syllabus is only covered on the exam to the extent discussed in class.

#### Exam-relevant literature

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Compulsory literature specified in the syllabus

- Slides

### Attention please:

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***We would like to point out to you that this fact sheet has absolute priority over other information such as StudyNet, faculty members' personal databases, information provided in lectures, etc.***

***When will the fact sheets become binding?***

***Information about courses: from the start of the bidding process on 25 August 2011***

***Information about decentral examinations: after the 4th semester week on 17 October 2011***

***Information about central examinations: from the start of the enrolment period for the examinations on 7 November 2011***

***Please look at the fact sheet once more after these deadlines have expired.***