



7,786: Media Economics

Subject information

ECTS-Credits: 3

Attached courses

Timetable	Language	Lecturer
7,786,1.00 Media Economics	English	Benesch Christine

Course information

Course prerequisites

Good knowledge in microeconomics and empirical methods.

Course content

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. The discussions will not only cover the results of the studies but focus on methodological aspects as well.

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 policy

- 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

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

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

This course is part of the *Topic of the Year*. The *Topic of the Year* deals with a yearly chosen topic, which is reflected in courses within the contextual study program on Bachelor and Master level. For the academic year 2012/13 the topic is: **Responsibility**.

Information about the Examination

Examination type

decentral - Group examination paper (30%)

Examination aids

no regulation necessary

No rules for examination aids are required for this examination.

- For written examinations at home (term paper), courses without credits, etc., no specific rules for examination aids are required.
- The regulations of the University of St. Gallen and the rules of academic work (sources and aids must always be identified) are applicable in a subsidiary fashion.
- All written work must be accompanied by a declaration of authorship.

Question language: **English**

Answer language: **English**

central - Written examination (70%, 60 mins.)

Comment: A pocket calculator is not necessary.

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**

Examination content

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 21.12.2012, 23:59.

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

Exam-relevant literature

- Compulsory literature specified in the syllabus
- Slides

Attention please:

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 and examination type (central/decentral and grading form): from the start of the bidding process on 23 August 2012

Information about decentral examinations (examination aids, examination content, exam-relevant literature): after the 4th semester week on 15 October 2012

Information about central examinations (examination aids, examination content, exam-relevant literature): from the start of the enrolment period for the examinations on 5 November 2012

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