Local Newspaper Decline and Political Polarization

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WZB Talks
A brief history of the Spandauer Volksblatt

(a) How it started..

(b) ..how it’s going
Newspaper decline in the US and Germany

![Graph showing the decline in circulation of daily newspapers in Germany and the USA from 1985 to 2015.](image)

Data for the US was collected by Pew Research Center. Data for Germany was originally published by the Informationsgemeinschaft zur Feststellung der Verbreitung von Werbeträgern. We retrieved the data from statista.com.
**Overview**

**Question:** do newspaper exits cause polarization?

- Novel panel of all German local newspapers, 1980 – 2009
  - Newspaper exit: termination of distribution in county
- Main outcome: county-level electoral polarization
  - weighted SD of party positions rel. to ideological center
  - small party vote
- First-difference approach
Declining local politics exposure

- Local politics is less partisan (Metag, 2016)
- Decisions are made in cross-partisan councils (Wehling and Kost, 2010)
- Local officials often run as independents or bipartisan (NRW, 2020)

More national news exposure:

- Heightened salience of contested national politics
Local and national newspaper content

Note: The plot shows results of 23’027 content-coded local and national newspaper articles around federal and national elections between 2009 and 2013. Articles stem from the title page and politics section of each medium. The article content has been coded by GLES (2017) following a dictionary approach. The plot shows the ratio of keywords associated with three policy fields – Environment, Law and Order, and Migration – per article in the corpus. We find that national outlets are significantly more likely to report on these three issue areas (two sample t-tests, $p < 0.05$).
Mechanisms of polarization by national news exposure

1. Activation of political identities
   - Recognizable party cues induce partisan information processing
     (Zaller, 1992; Goren, Federico and Kittilson, 2009)
   - Cues strengthen ideological priors, desire for confirmation
     (Levendusky, 2013a)

2. Exposure may induce greater ideological extremity
   - Extreme elite positions can move political beliefs
     (Kruglanski and Webster, 1996; Taber and Lodge, 2006)
   - Refuting opposing arguments polarizes attitudes
     (Prior, 2013; Levendusky, 2013b)
Data

- **Units:** All 401 German counties, 1980–2009
  - Only West Germany pre 1990

- **Treatment:** Local newspaper exit (vs. no change)

- **Aggregate Outcomes:** Electoral polarization
  - Based on county-level electoral results (Dalton, 2008)
  - Federal and municipal elections

- **Individual Outcomes:** Politicization
  - Based on large-scale panel SOEP, 1984–2009
  - Party identification, political engagement
**Treatment**

**Treatment:** exit of at least one local newspaper in county between two subsequent elections

- Binary treatment at the county election-year level
- Comparison: newspaper exits vs. no change in local news
- Focus on *local* news, discard national newspapers, etc.
Measuring political polarization

Electoral polarization at the county-level (Dalton, 2008).

\[
\text{Polarization}_{c,t} = \sqrt{\sum_j \psi_{j,c,t}(\tau_{j,t} - \bar{\tau}_t)^2}
\]

- \(\psi_{j,c,t}\) vote share of party \(j\) in county \(c\) at time \(t\)
- \(\tau_{j,t}\) Manifesto Project RILE score of party \(j\) at time-period \(t\) (left-right index) (Volkens et al., 2020)
- \(\bar{\tau}_t\) (weighted) mean party position at time \(t\)

Additional outcome: vote share of small parties
Small party vote over time

Cumulative vote share

Large centrist parties (CDU/CSU & SPD)  Other parties
Polarization over time

Election: 1983

Election: 1987

Election: 1990

Election: 1994

Election: 1998

Election: 2005

Election: 2009

Election: 2013

Electoral polarization:

- 3.4
- 3.5
- 3.6
- 3.7
- 3.8

Electoral polarization:

- 2.6
- 2.7
- 2.8

Electoral polarization:

- 3.2
- 3.4
- 3.6
- 3.8

Electoral polarization:

- 2.4
- 2.6
- 2.8

Electoral polarization:

- 2.50
- 2.75
- 3.00
- 3.25
- 3.50

Electoral polarization:

- 2.50
- 2.75
- 3.00
- 3.25
- 3.50

Electoral polarization:

- 2.4
- 2.6
- 2.8

Electoral polarization:

- 2.4
- 2.6
- 2.8
- 3.0
Design

DiD setup (first-difference estimator, as in Gentzkow, Shapiro and Sinkinson 2011):

\[ \Delta Y_{c,t} = \alpha_t + \tau \mathbb{1}_{Exit_{c,t}} + \gamma \mathbb{1}_{Entry_{c,t}} + \delta \mathbb{1}_{Entry_{c,t} \cap Exit_{c,t}} + \epsilon_{c,t} \]

- \( \Delta Y_{c,t} \) change in polarization since last election

- \( \mathbb{1}_{Exit_{c,t}} \) newspaper exit since last election

- \( \alpha_t \) period fixed-effects → no extrapolation across elections
Results - electoral polarization

Note: The plot shows the estimated effect ($\tau$) of newspaper exit on two outcomes: political polarization and the vote share of small parties. The results are based on the benchmark specification, which uses first-differenced outcomes and year fixed effects. The polarization outcome is measured in CMP RILE units, while the small party vote share outcome ranges from 0–1.

Substantive effect size on polarization: about 0.1 SD

Benchmark: Newspaper exit $\rightarrow -0.1 \text{ pp to } +0.3 \text{ pp effect on turnout}$ (Gentzkow, Shapiro and Sinkinson, 2011; Cagé, 2019)
Lags and leads for federal elections

Note: The plot shows the estimated effect ($\tau$) of a newspaper exit on two outcomes: political polarization, as well as the vote share of small parties. We estimate the effects of future and past newspaper exits on two outcomes of interest. The x-axis indicates the election relative to the time when newspaper exit occurs. Elections labelled -1 and -2 are prior to exit, while elections labeled 1, 2, and 3 are after exit occurs. Null effects for periods labeled -1 and -2 indicate that there are no detectable differences between counties where newspapers exit prior to the exit. The polarization outcome is measured in CMP RILE units, while the small party vote share outcome ranges from 0–1.
Local newspaper monopolies
Fewer choice increases polarization

Polarization

Small party vote share

Effect of newspaper exit

One outlet remaining after exit
Two outlets remaining after exit
Three or more outlets remaining after exit
Heightened salience of partisanship after exit (SOEP)

Note: The plot shows the estimated effect ($\tau$) of a newspaper exit on four survey outcomes. Results are based on the model specification with first-differenced outcomes and year fixed effects. 90% (thick lines) and 95% (thin lines) confidence intervals are reported based on robust standard errors clustered by county.
Evidence on consumption shifts

Large-scale consumption survey (MLFZ): 680k obs. 1980–08

- Observes all national & local newspapers respondents read
- Estimate media consumption at county-level (4-year avg.)
- Empirical setup similar to main results: first difference

DV: Exposure to national news

- Dissected by national outlet
Consumption effects by outlet

Note: The plot shows the estimated effect ($\tau$) of a newspaper exit on four news consumption outcomes. Results are based on the model specification with first-differenced outcomes and year fixed effects. The outcomes are county-level aggregates for each election in year $t$, using data from years $t - k$ for $k \in \{0, 1, 2, 3\}$. 90% (thick lines) and 95% (thin lines) confidence intervals are reported based on robust standard errors clustered by county.
Robustness tests

1. No differential trends in polarization prior to exit

2. No differential trends in pop., empl. prior to exit
   - Covariate trends

3. Covariate trends generally do not predict exit
   - Predicting exits

4. Results robust to including differenced covariates

5. Effects strongest when few local outlets remain
   - Remaining newspapers
Conclusion

Do local news exits affect polarization?

- Exit leads to diminished support for centrist Volksparteien
- Greater average distance from ideological center

Proposed mechanism: shift to national news

- Exposure to political conflict & ideological extremes
- Panel survey points to activation of political identities
- Large-scale consumption data: Bild profits from local news exits
Thank you for your attention!

Final issue of FT Germany (2012)