

Midlands Economics Theory and Applications (META) Workshop
Abstracts of papers

Siddhartha Bandyopadhyay (Birmingham):

***Manufacturing Extremism: Political Consequences of Profit-Seeking Media* (joint work with Kalyan Chatterjee and Jaideep Roy)**

Abstract: We analyse the consequences of a non-partisan, profit maximising media on policy divergence. The media undertakes costly coverage that may reveal the quality of an office-seeking political challenger only if quality-conscious voters pay an access fee. Voters are ideologically identical and the incumbent politician is a populist with established quality perceptions. We show that while media absence implies a populist challenger, media presence yields platform extremism: it creates demand for information about quality and provides incentives to the media to invest in coverage that are exploited by high quality challengers to signal strength