

The Fox News Effect

Recently, many scholars have been interested in quantifying the effect of the national news media on the behavior of electorate. Understanding how the national media environment affects the election results is critically important, but also notoriously difficult. In particular, even if an association between media coverage and election outcomes exists, it is difficult to identify whether this association is due to the media's influence over the voters or the result of the media adjusting its contents to the preferences of voters.

In this exercise, we will consider the entry of the Fox News Channel (hereafter Fox News) into the television market in the late 1990s. This exercise is based on the following study: Stefano DellaVigna and Ethan Kaplan (2007). "The Fox News Effect: Media Bias and Voting." *Quarterly Journal of Economics*, 122:3, pp.1187-1234.

Note that due to the nature of negotiations between cable companies and television networks, adding a new channel to the line-up of a cable company may take a long time. For this reason, in contrast to what many people might expect, the Fox News was not able to enter conservative media markets first. We will be looking at some of the differences between the towns that initially did not receive Fox News, and those that did. The data set is in the csv file `foxnews.csv`. It contains information for 10,126 towns across 28 states in the United States:

Name	Description
<code>town</code>	Town name
<code>state</code>	State in which the town is located
<code>subrf2000</code>	Share of Fox News subscribers in 2000
<code>gopvoteshare2000</code>	Two-party vote share for the Republicans (2000 Presidential election)
<code>gopvoteshare1996</code>	Two-party vote share for the Republicans (1996 Presidential election)
<code>gopvoteshare1992</code>	Two-party vote share for the Republicans (1992 Presidential election)
<code>college1990</code>	Proportion of population with a college degree in 1990
<code>male1990</code>	Proportion of male population in 1990
<code>black1990</code>	Proportion of black population in 1990
<code>hisp1990</code>	Proportion of hispanic population in 1990
<code>income1990</code>	Median income in 1990
<code>logincome1990</code>	Median income in 1990 on the logarithmic scale