

The feeling of the age: A quantitative analysis of the correlation between novelistic and economic sentiment

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Abstract

This paper investigates the relationship between quantified sentiments of award-winning novels and economic short and long-run sentiments. We conduct a sentiment analysis on novels in the years 1976-2019, assigning them quantitative sentiment scores, and correlate these data with expressions of economic sentiment such as financial market data and structural macroeconomic indicators. We hypothesize that while novels may not function as predictors of economic developments due to the time it takes to write and publish them, they do become valuable descriptors [summary statistics *ex post*] of the structural conditions of the economy at a particular time, as well as of medium-run optimism/pessimism regarding the economy. Our findings indicate.