

# “Telecracy: Testing for Channels of Persuasion”

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# Overview

- Nice paper!
- Identification strategy: Move from analogic to digital television in Italy as a quasi-random shock.
- Results:
  - Berlusconi candidate vote share drops significantly (5.5%-7.5%) after the switch to digital TV.
  - At least 30% of the population of interest does not process biased information rationally.
  - Evidence that elderly and less educated individuals being affected the most.

# Comments: Identification strategy

- Main assumption: Assigned switch-off dates to different areas is idiosyncratic to the purpose of analysis.
- Criteria for switching dates: 1950s infrastructure, homogeneous move for North, Center and South of Italy.

→ I believe that the switch-off dates are exogenous. However: More information about the selection process might be useful.

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- First (descriptive) analysis: Comparison of EU and regional election results across “treated” and “non-treated” Italian regions.
  - Comparison of regional election 2005 and 2010 results might be more useful (as you have done for Western and Eastern Piedmont).
  - Why? Turnout rates between election for European and regional parliament are *in general* different.

# Comments: TV consumption

- In the paper you show the decreasing market shares of Berlusconi TV.
  - Do people “simply” watch more TV?
  - Do people watch
    - ... less Berlusconi TV and more often other channels?
    - ...to the same extent Berlusconi TV and *additionally* more (digital) channels?  
(As suggested by Mullainathan/Shleifer (2006): Bias might be canceled out by watching more TV channels.)
  - Important to understand the channels of the findings.

# Comments: Who is non-Bayesian?

- Result: elderly and less educated individuals being affected the most by the bias.
  - Possible channels: Cognitive biases or differences in TV consumption.
    - To disentangle the two channels: Is there any evidence in studies by behavioral economists or psychologists?
    - If not: Conducting a laboratory experiment could be useful.
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- Are older people might be more sensitive to Berlusconi's sexual affairs?
    - Percentage of people who regularly go to church = good proxy?

# Two final comments

- Given Berlusconi's economic and political losses from digital TV: Did he try to prevent the new technology? (New TV channels as a “creative destruction” of his media/political power.)
- Possible future research: The preferences of the people seems to change after the switch to digital TV → Do (regional) newspaper change their reporting on Berlusconi?