

Peer review of “Do Local Owners Deliver More Localism? Some Evidence from Local Broadcast News”

In this paper, the authors consider the question of how ownership (local vs. non-local) of a TV station affects the quantity of local content presented in its news broadcasts. They utilize a unique database from the University of Delaware which contains logs of news stories covered by 60 stations over five days in 1998. Their main conclusion is that locally owned TV stations air more local news than non-locally owned stations. Specifically, they find that local ownership of TV stations adds almost five-and-a-half minutes of local news of over three minutes of local on-location news.

Comments:

1. The data used in this analysis appear to be of reasonable and sufficient quality for the purpose of this analysis.
2. Some aspects of their econometric methodology were not completely clear to me from the paper. For example, the last paragraph on page 11 is difficult to understand.
3. The main econometric problem in any studies of this kind is that some of the right-hand-side variables in the regressions (importantly, the local ownership dummy) may be endogenous. This is because, in order to be useful for policy purposes, the coefficient on the local-ownership dummy should measure the causal effect of local ownership on local news content. On the one hand, the fact that the authors were able to include a full set of 97 DMA-day dummies alleviates concerns about the potential endogeneity.

However, I am worried about station-specific unobserved heterogeneity, which could also bias the results. I would like to see station-specific dummies also included as controls, but because the local ownership dummy would be completely collinear to these dummies, we would not be able to jointly identify the coefficients of these dummies.

4. The main conclusions of the authors do follow from their analysis.