

Abstract

Media bias has been attracting more and more attention of economists in recent years. This essay shows that, even the media firms are ideologically neutral, they still have incentives to slant their news to cater to the audience or readers. An interesting feature of this paper is that, even though without reputation and price competition effects proposed in the literature, the ideology of news reported is apt to be polarized under some situations which are very common in reality. We also show that polarization could be easily deepened through some interaction between media firms and news consumers.

