

(Working Paper) Disturbing Narratives in Economics: The Role of the Media regarding Notions on Wealth (Re-) Distribution

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Introduction & Motivation

Rising economic inequality - especially wealth inequality - is one of the core societal challenges for the 21st century, as it not only shatters the idea of equal opportunities, but also endangers existing democratic institutions. An essential policy tool for addressing these disparities is wealth taxation, which, if effectively implemented, can mitigate inequality, and simultaneously generate revenue for social and environmental measures (Piketty, 2014; Alvaredo et al., 2018). This is necessarily a complex and multi-dimensional process. One crucial starting point for the actual realization of such public policies lies in their public acceptance, which is in turn influenced by the narrations thereof. Narratives are powerful stories influencing people's public policy preferences and their views on the (missing) legitimacy of the underlying economic order (Roos & Reccius, 2023). Through shared narratives, a sense of feasible public policies is constructed while unveiling effective implementations for them (Hilmar & Sachweh, 2022; Johnson-Cartee, 2005).

News media provide information to their consumers and – in a broader context – to the public. Although the past few years have witnessed an intensified discussion about the negative aspects of the media, associated with terms such as fake news, post-truth or filter bubbles, we have to keep in mind that media do not only serve an information function/purpose, but also play a decisive role in shaping opinions and outlooks – for example, concerning the acceptance of redistribution policies (Grisold & Preston, 2020; Theine, 2021).

This study adopts a critical political economy perspective to examine the long-standing media narratives surrounding wealth taxation in three German-speaking countries. The Paper seeks to explore how narratives on wealth taxation and redistribution policies spread and shape the perceptions on economic processes and public policies.

Dataset & Method

Our research utilizes a novel dataset comprising newspaper articles from 2-3 major dailies in Germany, Austria, and Switzerland, spanning from 1993 to 2022 – overall more than 20,000 articles. These newspapers were selected with the awareness of their potential for reporting with either a left-center or right-center bias. Employing a mixed methods approach, this paper integrates quantitative structural topic modelling (Roberts et al., 2013) with qualitative narrative analysis (Jones et al., 2014) in an iterative and comprehensive manner. These steps are strategically crafted to steer us towards effectively addressing and answering our research questions by utilizing the advantage of both approaches.

Findings

In this conference paper, we present results to the research focus of media narratives, making use of both quantitative and qualitative methods. Preliminary findings suggest that wealth-based tax narratives are largely set within the realm of politics and (internal) party political debates. The taxation of wealth is largely negotiated based on questions of feasibility and criteria for efficiency. In the case of inheritance taxes, narratives around the importance and economic indispensability of family businesses become dominant. Furthermore, narrations on the legal possibilities of avoiding wealth taxation exists are predominant as well. Noteworthy, prevailing narratives – with a few exceptions – obscure the understanding of inequality, the need to tax wealth and fail to place narratives within the larger political economy of the respective countries.

Overall, the paper contributes to existing research by a) confirming predominantly case study-based findings on inequality, b) adding a long-term perspective and c) offering a novel methodological approach.

Literature

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