Polarized Media and Inflation Expectations*

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Abstract

How does media exposure affect households' inflation expectations? We study this question in a high-inflation environment, focusing on prime-time television news in Turkey. Combining new micro panel data on households with channel-specific daily news videos and a large-scale randomized controlled trial (RCT), we first document substantial polarization in inflation coverage and sentiment across TV channels based on their ideological distance from the incumbent government. Viewers sort into channels aligned with their political affiliations, thus polarizing inflation-related news consumption. For identification, we address static and dynamic endogeneity in matching between individuals and TV channels by focusing on individuals' *ex ante* channel preferences and exploiting the within-individual variation in news exposure. We find that increased television coverage of inflation *causes* households' inflation expectations to rise, with politically neutral channels primarily driving the effect. Evidence from the RCT corroborates these findings and sheds light on mechanisms, highlighting the roles of prior beliefs and perceived media bias in shaping heterogeneous responses.

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1. Introduction

How does media shape the formation of inflation expectations in a politically polarized society? Does the polarization of reality (see Alesina, Miano, and Stantcheva, 2020) extend to how different television channels cover inflation for the same economy? These questions are particularly relevant in settings where inflation is high, volatile, and expectations are poorly anchored. In such environments, households may rely more heavily on media coverage to interpret economic developments, making inflation expectations more responsive to news narratives and shifts in public sentiment. On the other hand, high-inflation environments also lead individuals to become more informed with stronger priors, making them less responsive to regular inflation news (Weber, Candia, Afrouzi, Ropele, Lluberas, Frache, Meyer, Kumar, Gorodnichenko, Georgarakos, et al., 2025). A comprehensive analysis of these forces, especially with regards to how political alignment of individuals and media channels come into play, remains unexplored.

We study these questions in the context of Turkey, a high-inflation emerging market with a politically polarized media landscape, by combining two complementary empirical approaches: a causal identification strategy with panel data and a separate randomized controlled trial (RCT). Our panel analysis exploits a newly constructed dataset that combines a monthly household survey of inflation expectations with detailed information on respondents' preferred television channels for prime-time news. We then collect and process transcripts of prime-time news broadcasts of these channels using web-scraped video archives from publicly available platforms. Leveraging the extensive availability of television archives in Turkey, we construct monthly measures of inflation-related news coverage for each channel and match these measures to the viewing habits of individual households. To the best of our knowledge, linking micro-level expectations data to the specific television news content consumed by the same respondents is unique to our study in the literature.

In order to measure the *causal* effect of media coverage on inflation expectations, we devise an identification strategy that aims to tackle the endogeneity in matching between individuals and their preferred TV channels for news consumption. A major concern in this setting is that, in a cross-sectional comparison, people expecting high or low inflation might also choose to watch the TV channels that will match their priors, which would imply reverse causality. To tackle such static selection effects, we use the panel feature of our new dataset and focus on the within-individual variation in TV news coverage.

A remaining concern would be the possibility of individuals switching TV channels over time in tandem with the change in their expectations. Although our survey shows that such channel switching is rare from one month to another, we address these dynamic selection

concerns by fixing the TV channel preference over time and consistently assigning each individual to the channel they preferred the first time they were included in the survey. This way any dynamic endogeneity would play against our chances of detecting a significant relationship.

A further challenge for identification in this setting is the possibility of TV channels catering to their viewers' news priorities. In particular, if a channel knows the composition of their viewer base and can observe their inflation experiences in the past, it might then be able to anticipate the change in future expectations and adjust its news coverage accordingly. To mitigate this concern, we control for the past inflation experiences at the individual-level. We also show that TV coverage itself is not associated with the individuals' past inflation experiences.

Another confounding issue could be that due to highly polarized nature of the media and households in Turkey and the assortative matching between these two groups based on political affiliation, they might synchronously respond to the economic propaganda of the political party they are associated with, thus potentially creating a spurious correlation between media coverage of inflation and household inflation expectations. We address this concern by controlling for *party x time* fixed effects, which helps us identify our estimates by comparing individuals voting for the same party at the same point in time but exposed to different TV channels.

Finally, the literature has shown the importance of inflation dynamics at the local level in determining households' future expectations (see D'Acunto, Malmendier, and Weber, 2023). In case inflation expectations and the availability of TV channels differ across different provinces, this may again lead to spurious correlations between the two phenomena. Hence, our fixed effect setting helps us compare households living in the same province at the same point in time abstracting from any type of local level confounder that may also vary over time.

Our estimates show that more frequent media coverage of inflation increases household inflation expectations. In the full sample, a one-standard-deviation increase in inflation coverage raises expectations by roughly 9 percent of their standard deviation. However, this average effect masks substantial heterogeneity across media sources. The response is driven primarily by viewers of politically neutral television channels, for whom the estimated effect is more than three times larger. By contrast, households who rely on politically aligned channels—whether pro-government or pro-opposition—display little response to changes in inflation coverage. These findings are consistent with evidence from the United States suggesting that politically polarized information environments can dampen the responsiveness of beliefs to new information (Coibion, Gorodnichenko, and Weber, 2021).

While the panel analysis identifies a causal effect of television coverage on inflation expectations, it leaves open an important question about the underlying mechanisms. The muted response among viewers of partisan channels may reflect two distinct possibilities. One interpretation is that these individuals hold strong ideological priors that make them resistant to updating their beliefs. Alternatively, politically polarized TV channels might lack sufficient variation in their inflation coverage (being either persistently too low or persistently too high) which might make it difficult to get statistically meaningful estimates in a panel setting that relies on within-channel time-series variation. On the other hand, the high sensitivity of neutral-channel viewers to inflation news could be due to their generally weak priors about inflation and/or their strong sense of trust specifically towards the neutral channels. To distinguish between these different mechanisms, we complement the panel analysis with a large-scale randomized controlled trial embedded within a separate survey.

The RCT adopts a novel design that explicitly employs media narratives as treatments and thus randomly exposes survey participants to inflation-related narratives that vary in tone (positive or negative) and source attribution (pro-government, neutral or pro-opposition channel). The experimental results reveal that the viewers who normally prefer to watch neutral television channels for prime-time news are the most responsive to information treatments: they update their inflation expectations regardless of the tone or perceived source of the information. This pattern suggests that the responsiveness observed in the panel regressions does not arise from greater trust in neutral media outlets but rather from the characteristics of their viewers. Individuals who choose neutral channels appear to have weaker priors and a more open informational stance, making them more receptive to media coverage of inflation.

At the same time, the experiment uncovers a trust-based mechanism among viewers of pro-government channels. While these individuals are generally less responsive to information treatments, they revise their expectations when the signal is presented as coming from a pro-government source, indicating that source credibility plays an important role in shaping belief updating within politically aligned audiences. This is also consistent with the government-friendly channels lacking sufficient time variation to identify the causal effects of media coverage in a panel setting.

By contrast, and consistent with a mechanism of generally strong priors, viewers of pro-opposition channels do not display any responsiveness to alternative narratives, no matter which source they are perceived to be coming from. Interestingly, their lack of belief updating in response to treatments very much resembles to those respondents who normally prefer not to watch TV or prime-time news on TV.

This paper makes three main contributions. To start with, we are the first to provide

evidence on how media coverage of inflation affects household inflation expectations in a high-inflation emerging market. While existing studies primarily examine advanced economies with stable inflation and rely largely on print media measures, we study prime-time TV news in Turkey, where inflation is persistently high and expectations are less firmly anchored. This setting allows us to assess how media narratives influence expectation formation when inflation is both salient and economically consequential.

Second, we introduce a novel identification strategy with a unique dataset that links household-level inflation expectations to the content of the television news actually consumed by respondents. Combining micro-level survey data with channel-specific transcripts of prime-time television broadcasts allows us to more credibly identify the causal impact of media exposure on inflation expectations, completely abstracting from individual and local level confounders. We further corroborate these results and explore the underlying mechanisms by conducting a large-scale RCT.

Third, we contribute to the literature on political polarization and the formation of macroeconomic expectations. In environments characterized by political pressures on central banks and polarized media landscapes, information about inflation may reach households through fragmented narratives. By examining how households update their inflation expectations in response to media coverage across politically differentiated news outlets, we provide new evidence on how polarized information environments shape the formation of economic beliefs.

The remainder of the paper proceeds as follows. Section 2 reviews the related literature. Section 3 describes the construction of the panel dataset, outlines the empirical methodology and presents the regression results. Section 4 discusses the experimental design and the mechanisms revealed by the RCT. Section 5 concludes.

2. Contributions to the Literature

Our paper contributes to multiple strands of the literature on household inflation expectations, including rational inattention, media effects, political polarization, and central bank credibility.

2.1. Inflation Expectations and Information Rigidities

Our analysis builds on the framework of Carroll (2003), which models inflation expectation formation as a gradual diffusion process in which households intermittently update their beliefs by absorbing information from experts through the media. This mechanism generates

"sticky" expectations due to limited household attention.

Most empirical applications of this framework rely on data from advanced economies with well-anchored inflation expectations and extensive survey data, such as the University of Michigan Survey of Consumers or the New York Fed's Survey of Consumer Expectations (Carroll, 2003; Coibion and Gorodnichenko, 2015; D'Acunto, Malmendier, Ospina, and Weber, 2021). As a result, existing evidence primarily reflects low-inflation environments. Prior studies show that households typically pay limited attention to inflation but become more attentive as inflation rises and the costs of inattention increase (Cavallo, Cruces, and Perez-Truglia, 2017; Coibion, Gorodnichenko, and Weber, 2018; Weber et al., 2025). However, the inflation levels characterized as "high" in this literature typically correspond to rates around 10 percent.

When the Lucas critique is relevant, evidence from low-inflation environments may not generalize to economies characterized by persistently high and volatile inflation (Weber et al., 2025). In countries such as Turkey, where inflation ranged between 30 and 75 percent during our two-year sample period, households may process inflation-related information differently from those in economies where price stability has long been established. High and volatile inflation increases the economic stakes of inflation developments and may induce greater attention to inflation-related news. At the same time, prolonged exposure to high inflation may generate information fatigue or weaken trust in official statistics, particularly when reported inflation diverges from households' perceived changes in the cost of living.

These competing mechanisms give rise to testable hypotheses. Using newly collected household survey data from Turkey, we examine whether the influence of media coverage on inflation expectations becomes stronger when inflation is elevated and media attention to inflation intensifies. This setting also provides a useful environment to distinguish between rational expectations and sticky-information frameworks, as heightened media coverage may induce households to update their beliefs more frequently and move closer to the forecasts of professional forecasters.

2.2. Media Coverage and Expectation Formation

A large literature documents that media coverage influences household inflation expectations (Carroll, 2003; Pfajfar and Santoro, 2013; Lamla and Lein, 2014; Dräger and Lamla, 2017; Ehrmann, Pfajfar, and Santoro, 2017; Larsen, Thorsrud, and Zhulanova, 2021; Macaulay and Song, 2023; Larsen, Maffei-Faccioli, and Pagenhardt, 2025; Ryngaert, Binder, and Frank, 2025). Most existing studies focus on print media, rely largely on correlational evidence, and examine advanced economies where inflation expectations are relatively stable.

Unlike Lamla and Maag (2012), who focus on aggregate data and media diversity, we link micro-level household expectations to their media preferences, enabling us to analyze how specific channels of information—particularly politically aligned ones—shape individual beliefs. Our approach complements broader work like Larsen et al. (2021), which shows that media topic selection is itself predictive of public inflation expectations.

We contribute to this literature by focusing on television news, which remains the primary source of inflation information for many households (Blinder and Krueger, 2004). Using transcripts of prime-time television broadcasts in Turkey, we construct measures of the frequency, tone, and framing of inflation coverage and link them directly to household expectations through respondents' channel preferences. This approach allows us to examine how differences in media narratives translate into differences in beliefs, extending prior work that relies mainly on aggregate media indicators.

2.3. Polarization, Media Narratives, and Monetary Policy Credibility

Finally, our paper relates to the literature on political polarization and belief formation (DiMaggio, Evans, and Bryson, 1996; Fiorina and Abrams, 2008; Desmet, Ortuño-Ortín, and Wacziarg, 2017; Martin and Yurukoglu, 2017; Gentzkow, Shapiro, and Taddy, 2019; Alesina et al., 2020). A growing body of work shows that politically polarized media environments can shape economic perceptions and generate systematic differences in beliefs. While most existing evidence comes from the U.S. (see e.g. Binder, Kamdar, and Ryngaert, 2024), our study provides novel evidence from Turkey—an emerging market with a highly polarized media landscape. We find that inflation expectations are influenced not only by media exposure but also by the political orientation of the media outlet. Viewers of pro-government and opposition channels interpret the same economic facts differently, reflecting confirmation bias and media-aligned interpretation.

In doing so, our work complements Schneider-Strawczynski and Valette (2025), who investigate the effects of TV media on immigration attitudes in polarized environments. By focusing on inflation expectations, we show that media polarization can undermine the anchoring of beliefs in high-inflation settings, potentially complicating monetary policy communication.

Turkey provides a particularly relevant setting for studying these mechanisms. Political pressures on the Central Bank of the Republic of Turkey (CBRT) have intensified in the post-crisis period, with government leaders frequently advocating lower interest rates and publicly criticizing tight monetary policy (Çakmaklı, Demiralp, and Güneş, 2024). Such pressures may weaken central bank credibility by constraining policy choices or by under-

mining public confidence in monetary policy independence. When credibility erodes and inflation expectations become less firmly anchored, households may rely more heavily on alternative information sources, including media narratives.

In this environment—characterized by persistent inflation, concerns about central bank independence, and a polarized media landscape—differences in media coverage may play a particularly important role in shaping how households interpret inflation developments and update their expectations. Appendix B provides background on Turkish macroeconomic background.

3. Panel Data, Methodology and Results

3.1. Survey of Household Inflation Expectations

Koç University (KU) Survey of Household Inflation Expectations was launched in January 2024 and currently includes approximately 2,500 respondents per month. The sampling framework is constructed using population size and education level data for neighborhoods and villages from the Address-Based Population Registration System (ADNKS), together with precinct-level results from the May 14, 2023 general elections. Residential areas are first classified as rural, urban, or metropolitan, and the sample is stratified across 12 regions accordingly.

To ensure that the sample reflects the adult population of Turkey, quotas are implemented based on age, gender, education level, and the NUTS-1 regional distribution. Following data collection, post-stratification weights are applied using the same variables, along with reported vote choice in the 2023 general elections. As a result, the weighted sample closely matches the demographic and regional composition of the Turkish population, particularly with respect to age, gender, and education.[1]

The survey elicits respondents' perceptions of inflation over the past 12 months as well as their expectations for inflation over the next 12 months. In addition, the survey collects information on political preferences, preferred television news channels, and key demographic characteristics, enabling us to examine how these factors relate to inflation expectations at the individual level.

[1]The monthly survey reports are available at https://case.ku.edu.tr/en/turkiye-household-inflation-expectations-survey/.

3.2. Transcripts of Prime-time TV channels

For each of the 15 major TV channels in Turkey stipulated in our survey of household inflation expectations, we search the publicly available video platforms on the web in order to extract the daily prime-time news videos for the period between November 2023 to November 2024. Our search locates daily news videos from 13 channels across two platforms: YouTube and Dailymotion. We first extract the corresponding links for each video and then web-scape the all the subtitles at *channel x day* level. Table **??** lists the TV channels and the corresponding number of daily news videos/subtitles that are available during our sample period.

We base our text analysis on the subtitles that are automatically generated by YouTube or Dailymotion; however we also check the audio-to-text conversion quality of these subtitles by comparing a subsample of them to the OpenAI's Whisper speech recognition model and find the results comparable except with spoken numbers.[2]

3.3. Polarization of Inflation Coverage and News Consumption

One of the contributions of this paper is to analyze inflation-related coverage in prime-time television broadcasts in Turkey using transcript-based textual analysis. This focus is motivated by the continued importance of television as one of the primary sources of news consumption. While traditional newspapers once played a central role in the media landscape, their influence has declined globally due to digitalization, changing consumption patterns, and generational shifts.

Evidence from international surveys highlights the changing structure of news consumption. The 2017 Reuters Institute Digital News Report shows that among users aged 18–24 across 36 countries, 64 percent cite online platforms as their primary news source, compared with 24 percent who rely on television. In contrast, 51 percent of adults aged 55 and older still prefer television as their main news source. Print newspapers have experienced particularly steep declines in circulation, as digital platforms provide real-time access to news without the costs associated with print subscriptions. A 2024 Pew Research Center study reports that only 26 percent of U.S. adults obtain news from print sources, the lowest level in their time series, while 63 percent still report watching television news at least occasionally.[3]

Our focus in this paper is the role of news consumption in the formation of inflation expectations. While television and radio rank as the most popular source of inflation-related information in Europe, evidence from Turkey tells a somewhat different story. Data from

[2]This is not a critical issue given that spoken numbers have no impact on our analysis below.

[3]https://www.pewresearch.org/journalism/fact-sheet/news-platform-fact-sheet/

the Koç University Survey of Household Inflation Expectations (Figure B2, KU Survey, December 2025) reveals that roughly half of respondents cite their own shopping experiences as the primary source of information about inflation, with television and radio ranking second, chosen by approximately 30 percent of respondents. This pattern mirrors evidence from the United States, where personal shopping is also consistently identified as the most important source of inflation information. The secondary ranking of media may reflect a broader perception that television and newspapers are politically polarized and lack editorial independence (Coibion et al., 2024). Nevertheless, given the prominence of television in the Turkish information environment, prime-time coverage remains a particularly relevant channel through which households receive inflation-related information.

During our sample period, inflation in Turkey followed a pronounced trajectory. In the aftermath of the May 2023 elections, monetary policy remained tight throughout much of 2024. Annual inflation started the year at 65 percent, rose to a peak of 75 percent in May, and subsequently declined to 44 percent by the end of the year, reflecting both base effects and the cumulative impact of monetary tightening (see Appendix B for additional details).

Despite this clear inflation trajectory, television coverage of inflation did not closely track the underlying macroeconomic dynamics. Using web-scraped data from prime-time news broadcasts and their transcripts collected from YouTube and Dailymotion, we construct monthly measures of the frequency with which inflation-related topics are discussed on each channel. As illustrated in Figure 1, the frequency with which the term "inflation" appears in prime-time TV news varies substantially across networks and does not systematically follow movements in actual inflation.

Figure 1 also reveals clear political polarization in inflation coverage. Using a supervised AI-based classification algorithm, we group TV channels according to their political alignment: pro-government (orange), opposition-aligned (black), and politically neutral. Opposition-leaning networks consistently devote more coverage to inflation, while pro-government channels mention inflation substantially less frequently. Neutral networks, such as Habertürk and Kanal D, display intermediate levels of coverage. By contrast, channels such as ShowTV or Star—whose programming is less focused on news—exhibit coverage patterns closer to those of pro-government networks.

The timing of coverage also differs across political groups. Pro-government channels concentrate inflation coverage around mid-year, coinciding with pension adjustments linked to first-half inflation outcomes, a period during which inflation news can be framed in connection with benefit increases. Opposition channels, in contrast, intensify their coverage in the second half of the year, when inflation fatigue may decline and concerns about real purchasing power and minimum wage bargaining become more salient.

The classification of TV channels shown in Figure 1 is corroborated by survey evidence on viewers' news preferences. Figure 3 reports the distribution of preferred TV news channels among participants in the Koç University Inflation Expectations Survey, disaggregated by political orientation. Political alignment is inferred from respondents' reported voting behavior in the 2023 general elections. The data reveal a strong pattern of partisan sorting: voters supporting the governing alliance overwhelmingly watch pro-government channels, while opposition voters primarily follow opposition-leaning networks. Notably, approximately 20 percent of respondents from both political camps report watching neutral networks. This group may represent viewers who are more likely to process economic information outside of strongly partisan media environments, potentially forming inflation expectations in a less politically filtered manner. In the next section, we examine whether this distinction plays a role in shaping how households respond to inflation-related media narratives.

To measure the sentiment with which each television channel frames inflation, we apply a pre-trained Turkish BERT model to context windows extracted from the transcripts. For every transcript in our corpus, we first identify all occurrences of the word "enflasyon" (i.e., "inflation" in Turkish and its morphological variants). Around each occurrence we extract a symmetric context window of ± 30 words, yielding a short text snippet that captures the immediate linguistic environment of the inflation mention.[4] Each window is then scored by a transformer model with BERT-base architecture pre-trained on Turkish text for binary sentiment classification (Yildirim, 2024).[5]

The model assigns two probabilities, $P(\text{positive})$ and $P(\text{negative})$, that sum to one. For each transcript we compute the window-level average of both probabilities and define the transcript-level net sentiment score as:

$$s_i = \bar{P}_i(\text{positive}) - \bar{P}_i(\text{negative}) \in [-1, 1],$$

where the bar denotes the mean over all scored windows in transcript i. A score close to $+1$ indicates that inflation is discussed in predominantly positive language; a score close to -1 indicates predominantly negative language. We then collapse to the channel–month level by taking the mean of s_i across all transcripts belonging to channel c in calendar month t.[6]

Figure 2 illustrates that the polarization of inflation coverage extends to the way dif-

[4]Transcripts with no inflation mentions produce no windows and are excluded from the sentiment index for the relevant channel–month cell.

[5]See https://huggingface.co/savasy/bert-base-turkish-sentiment-cased. The model is applied deterministically (no sampling at inference), with inputs truncated at 512 subword tokens. All computations were performed locally using PyTorch 2.6.0 and Hugging Face Transformers 4.49.0.

[6]To suppress noise from months with very thin coverage, we set a channel–month cell to missing whenever it contains fewer than five scored transcripts.

ferent TV channels talk about inflation during prime-time news with government-friendly and opposition channels being on the opposite ends of the sentiment spectrum.[7] While the time variation in sentiment scores is generally limited, neutral channels exhibit larger variations and opposition channels are particularly persistent in negatively covering the inflation throughout our sample period.[8]

3.4. Identification and empirical strategy

It is well documented in the literature that supporters of the incumbent government tend to be more optimistic about the economic outlook, while opposition supporters tend to be more pessimistic, a phenomenon described as partisan expectations by Binder et al., 2024. Figure 4 provides supportive evidence of partisan inflation expectations in Turkey: supporters of the incumbent party (AKP) and its coalition partner (MHP) report the lowest inflation expectations, while supporters of the main opposition party (CHP) and other opposition parties report significantly higher expectations.

Our focus is on the role of media in shaping these partisan expectations. Figure 5 sheds further light on this issue by disaggregating inflation expectations along two dimensions: political alignment (AKP voters versus non-AKP voters) and the type of prime-time news channel watched (pro-government, pro-opposition, or neutral). Among AKP supporters, those who watch pro-government channels report the lowest inflation expectations, while those who watch pro-opposition channels report the highest. A similar but mirror-image pattern emerges among non-AKP voters.

While suggestive of a role for media in shaping inflation expectations after controlling for

[7] In Figure C1, we further fine-tune the base model with human-annotated labeling data from 3 research assistants who were instructed to annotate a subsample of approximately 800 context windows either as optimistic or pessimistic with regards to the inflation trajectory in the country. We consider these labels as measuring TV channels' forward-looking optimism/pessimism on inflation-related issues and thus to be potentially more relevant for their viewers' expectation formation. Using an 80% (training) vs. 20% (testing) rule, we observe the model bi-directional accuracy improving from 76% to 92% and the beyond-chance agreement with the average RA score (i.e., Cohen's Kappa) jumping from 43% to 83%. As a result, Figure C1 exhibits wider dispersion in general and assigns more positive scores to gov't-friendly channels consistent with the anecdotal evidence on their favorable stance regarding inflation and the wider Turkish economy.

[8] Figure C2 shows similar patterns when we narrow or widen the word window around our keyword ("enflasyon"). Additionally, Figure C3 presents the versions of the same exercise with an alternative transformer model (see https://huggingface.co/kaixkhazaki/turkish-sentiment) as well as an open-source large language model (LLM) that can support Turkish language (see https://ollama.com/library/qwen2.5:3b). Both alternatives show similar patterns though they seem to be generally biased upward/downward compared to our benchmark model in Figure 2. For the LLM in panel B of Figure C3, model temperature was set to zero and the following prompt template was used for each iterative call: "*You are a sentiment analysis assistant. You will be given a short Turkish text excerpt. Rate the overall sentiment of the text by providing two probabilities: - positive: how positive the sentiment is; - negative: how negative the sentiment is. The two values must sum to exactly 1.0. Use up to 2 decimal places. Respond with JSON only — no explanation, no extra text. Example format: "positive": 0.30, "negative": 0.70. Text: [relevant text embedded here]*".

political alignment, Figure 5 is not conclusive. The patterns may simply reflect gradations of partisanship: AKP voters who watch pro-government channels may be more committed partisans with more optimistic priors, while those who watch neutral or opposition channels may hold weaker partisan ties, and vice versa for non-AKP voters. More importantly, the figure raises a broader empirical concern: if media coverage influences beliefs about future inflation, polarization in news consumption could mechanically translate into polarization in inflation expectations.

To identify the *causal* impact of media coverage on inflation expectations, we develop an identification strategy that addresses the potential endogeneity between households' inflation expectations and their preferred television channels. The central concern in cross-sectional analyses is reverse causality: individuals may not form their views through media exposure, but instead selectively consume channels whose narratives reinforce beliefs they already hold—beliefs likely shaped, in the first place, by their underlying political ideology.

To mitigate such static selection concerns, we exploit the panel dimension of the dataset and focus on within-individual variation in exposure to inflation coverage over time. Figure 6 illustrates the intuition. Consider two individuals: Person A watches XTV, an opposition-leaning channel with extensive inflation coverage, and holds relatively high inflation expectations; Person B watches YTV, a government-friendly channel with limited inflation coverage, and holds relatively low inflation expectations. These viewing choices likely reflect underlying political preferences, which may themselves be correlated with baseline optimism or pessimism and, hence, with baseline inflation expectations (panel (a)). Our identification strategy therefore examines how each individual's inflation expectations evolve *over time* in response to changes in the intensity of inflation coverage on their preferred channel. If, for instance, inflation coverage on XTV declines, we would expect Person A's inflation expectations to fall accordingly—after controlling for ideological predispositions. Analogous reasoning applies to Person B: a rise in inflation coverage on YTV should lead to an increase in that individual's inflation expectations (panel (b)).

A remaining concern is that individuals may switch television channels over time as their inflation expectations evolve. Although the survey evidence suggests that such switching is rare at a monthly frequency, we further address this potential source of dynamic selection by anchoring each individual's channel assignment to their first observed response in the survey. This ensures that channel choice remains fixed throughout the analysis, removing any time variation that could confound identification. Robustness checks regarding this approach are provided later in this section.

3.5. Results from the panel data

We begin by estimating the following baseline model:

$$InfExp_{i,c,v,p,t} = \beta_1 InfMention_{c,t-1} + \beta_2 X_{i,t} + \beta_3 \Omega_i + \beta_4 \lambda_{v,t} + \beta_5 \mu_{p,t} + \varepsilon_{i,c,v,p,t} \quad (1)$$

In this specification, the inflation expectations of household i, who watches channel c, resides in province v, and is politically aligned with party p in month t, are regressed on the average number of times inflation is mentioned on that channel in the previous month, $InfMention_{c,t-1}$. The specification also includes a vector of individual control variables $X_{i,t}$, individual fixed effects Ω_i, and province-by-time and party-by-time fixed effects, $\lambda_{v,t}$ and $\mu_{p,t}$, respectively.

Table 2 reports the panel regression estimates. Across all specifications, we find a positive and statistically significant relationship between the frequency of inflation mentions on prime-time television news and household inflation expectations. The specification in column (1) shows that greater inflation coverage is associated with higher expected inflation, and this result is robust to the inclusion of a rich set of controls and fixed effects. Specifically, we control for time-varying individual characteristics such as age, marital status, and income group, as well as individual fixed effects that absorb time-invariant household heterogeneity. We further introduce increasingly demanding fixed effects, including party-by-time and province-by-time fixed effects, which account for partisan differences in expectations and local economic conditions that may shape inflation beliefs, as described in detail below. Although the estimated coefficient attenuates as additional controls and fixed effects are introduced, the relationship remains statistically significant throughout.

The literature has shown the importance of inflation dynamics at the local level in determining households' future expectations (see D'Acunto et al., 2023). In case inflation expectations and the availability of TV channels differ across different provinces, this may again lead to spurious correlations between the two phenomena. Hence, we use *province* × *time* fixed effects in order to abstract from any type of local level confounder that may vary over time.

Another potential concern is that, given the highly polarized nature of both media and households in Turkey, viewers and channels may respond simultaneously to political messaging associated with their preferred party, potentially generating a spurious correlation between inflation coverage and inflation expectations. We address this concern by including *party* × *time* fixed effects. This strategy identifies the estimates by comparing individuals who support the same political party at the same point in time but who are exposed to different television channels. The persistence of the estimated coefficient under this speci-

fication suggests that media coverage itself plays an independent role in shaping household inflation expectations.

The magnitude of the effect is also economically meaningful. In the most conservative baseline specification in column (6), a one-unit increase in the inflation mentions index, corresponding to approximately one additional mention per day on a given channel in the previous month, is associated with an increase of approximately 1.6 percentage points in household inflation expectations. This suggests that more intensive media coverage of inflation meaningfully shapes households' perceived inflation risks. More broadly, the findings are consistent with models of information frictions in expectations formation, where households update their beliefs not only through personal price experiences but also through information transmitted by the media and other public sources (Carroll, 2003; Coibion and Gorodnichenko, 2015; D'Acunto et al., 2021).

Table 3 reproduces the last three columns of Table 2 for reference and adds three additional specifications in which the dependent variable is perceived inflation over the past 12 months rather than inflation expectations. Comparing columns (1)–(3) with columns (4)–(6), which include identical sets of controls and fixed effects, we find that perceived past inflation is not meaningfully affected by the frequency of inflation mentions on television in the previous month. Inflation expectations, by contrast, are strongly and positively related to television coverage.

This asymmetry is informative about the mechanism through which media shapes inflation beliefs. As shown in Figure B2, respondents in KU survey cite their own purchases of goods and services as the most important source of inflation-related information (54%), followed by television and radio (29%). The fact that television ranks as the second most frequently cited source validates the relevance of the media channel we study, yet its influence operates primarily through the expectations channel rather than through perceptions. This pattern is consistent with the view that backward-looking perceptions of inflation are anchored in direct personal experience, where households have a strong private signal from their own shopping baskets, whereas forward-looking expectations involve greater uncertainty and therefore leave more room for public signals, including media coverage, to influence belief formation. In other words, media matters most precisely where personal experience provides the least direct guidance (Carroll, 2003; Coibion and Gorodnichenko, 2015).

The absence of a relationship between television coverage and perceived past inflation also helps address a potential endogeneity concern. One might worry that television channels endogenously adjust the intensity of their inflation coverage in response to the inflation experiences of their viewers, in order to cater to audience demand and maintain ratings. If this were the case, perceived past inflation would be positively correlated with the frequency

of inflation mentions on television. The lack of such a relationship suggests that coverage intensity is unlikely to be driven by viewers' recent inflation experiences.

A related but distinct concern is that channels may adjust their inflation coverage in line with their political alignment and the broader political environment. During periods of heightened polarization, politically aligned channels may intensify their inflation coverage as part of a broader editorial stance, rather than in response to actual economic conditions. We address this form of endogeneity by including *party* × *time* fixed effects, which absorb any time-varying differences in coverage patterns across politically aligned channels.

To further corroborate these findings, Table 4 augments the baseline specification by including perceived past inflation as an additional control variable. As expected, inflation expectations are strongly correlated with perceived inflation, reflecting the important role of households' own price experiences in shaping their forward-looking beliefs. Crucially, however, the coefficient on inflation mentions remains statistically significant even after controlling for perceived inflation and including the full set of individual controls, individual fixed effects, and both party-by-time and province-by-time fixed effects. Because the media effect survives this demanding specification, it cannot be attributed simply to television echoing what households already know from their own price experiences, but rather reflects genuinely new information that shifts forward-looking beliefs beyond what is already captured by households' perceived inflation.

Table 5 examines heterogeneity across viewers of different television channels. We first classify channels into three groups, pro-government, pro-opposition, and neutral, based on an AI-assisted classification of their editorial stance. Using respondents' reported preferred news channel in their first survey participation, we then construct indicators for the category of each household's preferred channel. The key explanatory variable is the average number of times the word "inflation" is mentioned during prime-time news broadcasts on a given channel in a given period.

The table reports coefficients on the interaction between inflation mentions on television and the respondent's preferred channel category. The results indicate that most of the statistical significance in the inflation mentions variable is driven by viewers of neutral channels. The coefficient on the neutral channel interaction is significant at the one percent level across all six specifications, and the magnitude remains stable as we introduce increasingly demanding fixed effects structures, including province-by-time and party-by-time interactions. By contrast, the coefficient on the government channel interaction is positive but never reaches statistical significance, while the opposition channel interaction is close to zero throughout, with only a single marginally significant estimate in column (3).

To put the magnitudes in perspective, the coefficient estimates for the neutral channel

interaction range from approximately 4.6 to 5.5 (columns 1 through 3). This implies that one additional mention of inflation on the respondent's preferred neutral channel on average is associated with an increase in inflation expectations of roughly 4.6 to 5.5 percentage points.

The near-zero effect for opposition channels is notable. One plausible explanation is a saturation effect: opposition channels discuss inflation so heavily and persistently (see Figure 1) that marginal variation in the number of mentions carries little new information for their viewers. Another possibility is that opposition-channel inflation coverage is perceived as politically motivated rather than purely informational, which may reduce its persuasive impact on expectations. Either way, the contrast with neutral channels reinforces a key finding, that it is the perceived informativeness of the source, not merely the volume of coverage, that shapes inflation expectations.

The last three columns of the table (columns 4 through 6) convert the dependent variable into a binary indicator that takes the value of one if the household's inflation expectation is above the sample median. This specification can be interpreted as a linear probability model and helps mitigate the influence of outliers in reported expectations. The results remain robust under this alternative specification, where the corresponding coefficients range from approximately 3.1 to 4.0, indicating that one additional inflation mention on average raises the probability of reporting above-median inflation expectations by 3.1 to 4.0 percentage points.

Table 6 further examines these results by incorporating respondents' voting preferences in the 2023 general elections. The estimates reveal a notable asymmetry: individuals who voted for the governing party, AKP, exhibit a substantially stronger response to inflation-related content on neutral channels, with coefficients roughly twice as large as those for non-AKP voters. In the continuous specification, the coefficients for AKP voters watching neutral channels range from approximately 7.8 to 8.6, implying that one additional inflation mention on average on a neutral channel is associated with an increase of roughly 8 percentage points in reported inflation expectations for this group. For non-AKP viewers of the same channels, the corresponding estimates range from approximately 2.9 to 4.2 percentage points. In the linear probability model, the gap persists: AKP voters on neutral channels show a 3.7 to 4.3 percentage point increase in the probability of reporting above-median expectations per additional mention on average, compared to 2.8 to 4.2 percentage points for non-AKP voters.

This differential response is consistent with a Bayesian updating interpretation. Although AKP voters in this group already watch neutral channels, the rest of their information environment, including party messaging, social circles, and casual exposure to pro-government media, likely tilts toward downplaying inflation. As a result, the inflation coverage they receive from their preferred neutral channel carries relatively more weight in their overall belief

formation, generating larger expectation revisions. Non-AKP voters, by contrast, inhabit a broader information ecosystem that is already more aligned with inflation narratives, so the marginal informational contribution of neutral television is comparatively smaller.

It is also worth noting that the government channel interaction with AKP voters is significant in column (1) but loses significance as province-by-time and party-by-time fixed effects are introduced. This suggests that the initial significance was absorbing spatially or politically correlated confounds rather than reflecting a genuine causal channel, a pattern that strengthens confidence in the identification strategy.

Importantly, viewers of neutral channels respond to inflation mentions regardless of their political affiliation. Although AKP voters exhibit a stronger response, the overall pattern suggests that it is the informational content of neutral channels, rather than partisan alignment between viewers and political actors, that primarily drives the observed changes in inflation expectations. If partisan alignment were the key mechanism, we would expect strong results for AKP voters on government channels and for non-AKP voters on opposition channels, and that is precisely what we do not observe. The differential magnitude between AKP and non-AKP voters on neutral channels is thus a second-order finding that sits comfortably within the primary story about source credibility and informativeness.

Two mechanisms may explain the stronger response among viewers of neutral channels. First, these viewers may hold weaker prior beliefs about inflation and therefore be more receptive to new information. Second, they may place greater trust in the news source compared to viewers of channels that are more strongly aligned with political partisanship. In the following section, we explore these mechanisms using our randomized controlled trial (RCT) design. The experimental evidence suggests that viewers of neutral channels are less politically polarized and respond to inflation-related news regardless of whether it originates from their preferred channel. We return to this interpretation in the next section.

3.6. Robustness Checks

The Appendix reports a series of robustness checks confirming the stability of our main results. First, Table C2 shows that the estimates remain unchanged when sample weights are removed. Second, Table C3 demonstrates that the results are robust to alternative procedures for removing outliers.

We also examine the sensitivity of the estimates to alternative sample restrictions. Our baseline specification includes individuals with at least five survey observations. Table C4 shows that the results are robust to alternative minimum participation thresholds.

Next, Table C5 tests the robustness of the inflation mentions index to different transcript

collection frequencies. Specifically, we compare our baseline measure based on daily channel transcripts with alternative constructions that require a minimum of 10 or 5 transcripts within a given month.

An important feature of our empirical design is that we assign each respondent to a channel category based on the preferred news channel they report upon first entering the survey, and we maintain this assignment throughout the panel. This approach yields an intent-to-treat estimate, since some respondents may change their viewing habits over the course of the sample period. To the extent that such switching occurs, the mismatch between assigned and actual media exposure introduces classical measurement error, attenuating the estimated coefficients toward zero. Our estimates should therefore be interpreted as a lower bound of the true causal effect of media exposure on inflation expectations. Crucially, however, this design choice carries an important identification advantage: by fixing channel assignment at baseline, we avoid the endogeneity that would arise if channel choice were allowed to vary contemporaneously with inflation expectations. If individuals with evolving inflation beliefs sort into channels that confirm their priors, for instance by switching away from channels that present unwelcome inflation coverage, a time-varying assignment would conflate the causal effect of media exposure with selective sorting. Our fixed assignment ensures that the estimated relationship reflects the informational impact of media coverage rather than the endogenous matching of viewers to channels.

A potential limitation of this approach is that if channel switching is sufficiently widespread, a large share of observations would effectively be matched to channels that respondents no longer watch, and the estimates may become difficult to interpret as a meaningful media effect. In practice, channel switching in our sample is limited: the vast majority of respondents report the same preferred news channel across survey waves. Nevertheless, we check how our results would change if we correctly matched each individual to their reported preferred channel in each month. Table C6 presents the results from this alternative specification. The estimates are very similar to those obtained under the fixed baseline assignment, which is reassuring on two fronts: it confirms that the degree of channel switching in our data is not sufficiently prevalent to materially distort the baseline estimates, and it indicates that endogenous sorting into channels does not appear to be a quantitatively important source of bias in the time-varying specification either.

4. Exploring the Mechanisms via RCT

To investigate the mechanisms underlying our panel results, we implement an RCT. In this survey experiment, which is conducted independent of the regular monthly KU survey,

respondents are randomly assigned to information treatments that vary the media narratives they receive, allowing us to identify the causal impact of narrative exposure on expectations. The survey additionally collects detailed information on respondents' financial literacy, political alignment, wealth, income, media preferences for prime-time television news, and planned spending and saving decisions.

4.1. Experimental design and empirical strategy

After answering baseline questions, each household is randomly assigned to one of eight groups of 1000 people. One group serves as the control group. The treated groups are provided with the following statement:

> "Below we present you with a sample news article compiled from TV news bulletins broadcast last month:"

Afterwards, the respondents assigned to the positive treatment group are presented with the following text:

> **Inflation Down, Hopes Up**
>
> "September inflation figures were announced, and once again public attention turned to achieving lasting price stability. The economic administration emphasizes its commitment to a determined disinflation program and highlights recent progress, saying that better days are near. Officials state that inflation has been steadily declining over the past year and that in May, annual inflation dropped to its lowest level in three and a half years. They also stress that, even at the cost of political sacrifice, they have avoided populist steps that would burden society, choosing instead to implement a reform program that strengthens the structural resilience of the economy. *As officials put it: "We are determined in our fight against inflation, and we will not stray from the path of stability."*

The negative treatment group is presented with the following text:

> **Every Morning, a More Expensive Life**
>
> "September inflation figures were announced, and once again public attention turned to price increases. For many households, each newly announced figure means waking up to a more expensive life and confirmation of shrinking purchasing power—an indication that the coming days will be more difficult. In recent months, inflation has become the most frequently mentioned word in everyone's

daily conversations. Although officials keep saying that inflation will decline, citizens are being crushed under rising costs and are waking up almost every morning to new price hikes. *As one young person summed it up in a street interview: "The situation is unbearable; even dreams are nothing but dreams anymore."*

The placebo group receives the following text:

Rethinking Tooth Care

"A new study has pointed to an unusual source of hope for healthier teeth: keratin, the natural protein found in human hair and sheep's wool. Researchers say keratin can coat teeth and help repair damaged enamel, which may one day mean fewer cavities and stronger smiles. For now, keratin is not part of any toothpaste or mouthwash people can buy, but scientists are planning further tests to see how it works best. The discovery has sparked curiosity and excitement—showing that even everyday materials could open the door to surprising improvements in dental care."

In addition to varying the tone of the media narratives (positive vs. negative), we also examine whether the perceived source of the narrative influences respondents' reactions. To this end, we construct additional treatment groups in which the same narratives are presented together with the logo of a specific television channel. The channels are selected to represent three categories in the Turkish media landscape: pro-government, opposition-aligned, and politically neutral.

Respondents assigned to the *Pro-Government Channel* treatment are shown the positive narrative accompanied by the logo of one of the two pro-government networks, ATV or TRT. This pairing reflects the typical media environment in which pro-government channels tend to present more optimistic narratives about inflation.

Respondents in the *Pro-Opposition Channel* treatment are shown the negative narrative together with the logo of one of the opposition-leaning networks, Sözcü TV or Halk TV, reflecting the more critical framing of inflation commonly observed in these outlets.

Finally, respondents in the *Neutral Channel* treatments are shown both the positive and negative narratives paired with the logos of Habertürk or Kanal D, which represent channels with a more neutral editorial stance.[9]

The experimental design first measures respondents' prior inflation expectations and then exposes them to curated inflation news treatments that vary both in tone (positive

[9]Altogether we have seven treatment groups: positive, positive with a pro-government channel logo, positive with a neutral channel logo,negative, negative with pro-opposition channel logo, negative with a neutral channel logo, and a placebo group that gets information about teeth health.

vs. negative) and in perceived source (pro-government, opposition-affiliated, and neutral outlets). Respondents later express their posterior inflation expectations via a question that differs from the previous one in its format in order to minimize attrition in the survey and experimenter demand effects (see Weber et al., 2025).

Table C8 presents the balance test results. The estimates indicate that the randomization was successful, as we do not detect any systematic differences in observable characteristics across treatment groups.

4.2. Results from RCT

In this section, we characterize the average effects of media narrative treatments on respondents' inflation expectations. Following Weber et al., 2025, we start by estimating the following baseline model:

$$E_i^{Post}\pi_{t+1} = b_0 + b_1 \times E_i^{Prior}\pi_{t+1} + b_2 \times E_i^{Prior}\pi_{t+1} \times Treat_i + b_3 \times Treat_i + error_i \quad (2)$$

In the regression specification described above, we regress individuals' posterior inflation expectations (E_i^{Post}) on their prior expectations (E_i^{Prior}), dummy variables indicating exposure to alternative signals, and the interaction between priors and the treatment indicators. The coefficient on each treatment dummy therefore captures the average effect of receiving that treatment on individual inflation expectations relative to the control group. To account for the presence of outliers in the data, all regressions are estimated using Huber-robust standard errors.

Under Bayesian updating, respondents are expected to place some weight on their prior beliefs and some weight on the signal they receive. In this framework, the weight placed on priors is captured by b_1 for the control group and by $b_1 + b_2$ for the treated groups, while the weight placed on the signal is captured by b_3. Bayesian updating therefore implies a convergence of beliefs, as individuals partially adjust their expectations in response to new information.

We illustrate this mechanism in Figure 7, which reports results separately for four subsamples defined by respondents' preferred source of prime-time television news. Panel (a) shows individuals who primarily watch pro-government channels, panel (b) those who watch politically neutral channels, and panel (c) those who watch opposition channels. Panel (d) includes respondents who report not watching prime-time television news.

For the pro-government and opposition treatments, we pool the two alternative logo versions because the effects do not differ statistically across them. For each treatment and the

control group, the figure presents binscatter plots of respondents' posterior inflation expectations (elicited immediately after the treatment) against their prior inflation expectations.

The slope of the relationship is less than one for the control group. This partly reflects the different wording of the inflation expectation questions used to elicit prior and posterior beliefs, as well as some degree of mean reversion in responses. More importantly, the figure shows flatter and statistically significant slopes for the treatment groups who watch neutral channels (panel (b)), suggesting that individuals in these groups place less weight on their prior beliefs and instead incorporate the signals embedded in the media narratives they receive. The fact that the different treatment groups exhibit approximately similar slopes indicates that the various treatments influence expectations in a broadly similar manner. Occasional steeper slopes for the treatment groups in panels (a), (c), or (d) are neither statistically nor economically significant.

Table 7 reports the regression results. Each column presents estimates for the subsample indicated in the table. Consistent with Figure 7, we find that individuals in the treatment groups generally place significantly less weight on their prior beliefs compared to those in the control group. The results are strongest for viewers of neutral channels. For this group, both the positive and the negative treatments lead to a convergence in beliefs, regardless of the source of the information. This finding suggests that individuals who report watching neutral channels may hold weaker prior views or exhibit greater prior uncertainty.

Households who report watching pro-government channels also significantly revise their prior expectations, but only when the signal originates from pro-government channels, reflecting greater trust in the source of the information. As noted in Weber et al., 2025, trust in the source of the signal increases responsiveness to the treatment. By contrast, individuals who report watching opposition channels, as well as those who do not follow television news, do not exhibit statistically significant revisions in their expectations.

As a robustness check, we present results from an alternative experiment in Table C7. Unlike the baseline RCT, this experiment provides respondents with the point estimate of headline inflation alongside the same media narratives, effectively combining two treatments. Despite the smaller sample size, the findings are highly consistent with the baseline. The coefficient estimates associated with prior revisions are noticeably larger, consistent with respondents' exposure to the actual inflation figure. In both RCTs, the results are strongest for viewers of neutral channels.

5. Conclusion

This paper examines how media narratives in prime-time television news shape the formation of household inflation expectations in a high-inflation and politically polarized environment. Using Turkey as a case study, we combine two complementary empirical approaches—a panel analysis linking household expectations to the television news they consume and a randomized controlled trial (RCT) designed to isolate the mechanisms behind belief updating. Together, these approaches provide new evidence on how media narratives influence economic expectations and how this influence varies across audiences in a polarized media landscape.

Our panel analysis exploits a newly constructed dataset that merges a monthly household panel survey of inflation expectations with detailed information on respondents' preferred television news channels. By leveraging publicly available archives of prime-time television broadcasts and transcripts, we construct channel-level measures of inflation coverage and match them to the viewing habits of individual respondents. We also classify television channels into pro-government, pro-opposition, and politically neutral groups using a large language model. This unique combination of micro-level expectations data and media content allows us to identify the causal impact of television coverage on inflation expectations.

The panel results show that increased coverage of inflation in prime-time television news raises household inflation expectations. However, the average effect masks substantial heterogeneity across audiences. The response is driven primarily by viewers of politically neutral channels, while viewers of strongly partisan outlets—whether pro-government or pro-opposition—display much weaker responses to changes in coverage. This pattern suggests that media polarization can limit the transmission of economic information by reinforcing existing beliefs and reducing the responsiveness of expectations to new information.

To better understand the mechanisms behind these results, we complement the panel analysis with a large-scale randomized controlled trial embedded in our survey. The RCT exposes respondents to different inflation-related narratives that vary in tone and source attribution, allowing us to directly test how narrative framing and perceived credibility affect belief updating. The experimental findings reveal that viewers of neutral television channels are consistently the most responsive to new information, updating their expectations regardless of the tone or source of the message. This suggests that the responsiveness observed in the panel results reflects differences in viewers' priors rather than trust in a particular media outlet. At the same time, the experiment uncovers an important trust-based mechanism among viewers of pro-government channels: although these individuals generally respond little to alternative narratives, they do revise their expectations when the information is

attributed to a pro-government source.

Taken together, our findings highlight how media polarization shapes not only the supply of information but also the way audiences process that information. In politically segmented media environments, inflation narratives may reinforce existing beliefs rather than facilitate the broad dissemination of economic information. As a result, the ability of news coverage to influence expectations depends critically on both the editorial stance of the media outlet and the predispositions of its audience.

These results have important implications for policymakers seeking to anchor inflation expectations. In environments where expectations are highly sensitive to news and media consumption is politically segmented, the credibility and perceived source of economic information become critical. Effective communication strategies may therefore require reaching audiences through trusted channels and presenting information in ways that can overcome informational segmentation.

Beyond their policy relevance, our findings contribute to the broader literature on expectation formation and information frictions. Most existing studies on media and inflation expectations focus on advanced economies and rely primarily on print media. By contrast, this paper studies a high-inflation emerging market and introduces a novel empirical framework that links household expectations directly to the television news content individuals consume. Our combination of panel evidence and experimental analysis also provides new insights into the mechanisms through which media narratives affect belief updating.

Future research could extend this analysis by examining how narrative tone and framing influence expectations more systematically using natural language processing techniques applied to television transcripts. More broadly, as media consumption increasingly shifts toward digital platforms and social media, understanding how different information environments shape economic expectations will remain an important area of inquiry.

In sum, our results show that media narratives play a meaningful role in shaping inflation expectations, but their influence is mediated by political polarization, source credibility, and the predispositions of audiences. Understanding these dynamics is essential for both researchers and policymakers seeking to better understand expectation formation in high-inflation and politically polarized environments.

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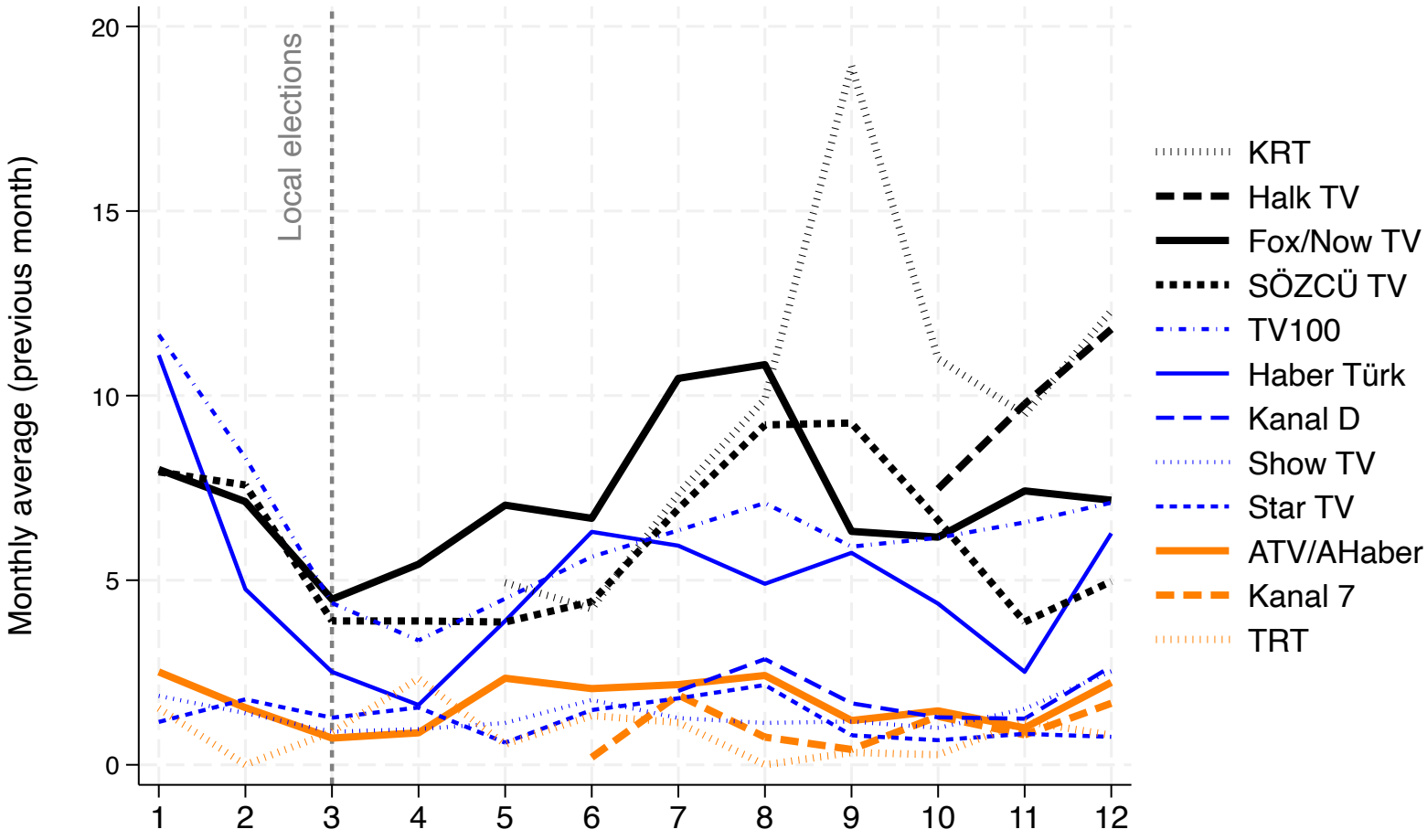


Fig. 1. **Number of Inflation Mentions in Prime-time TV News (2024m1 - 2024m12).**

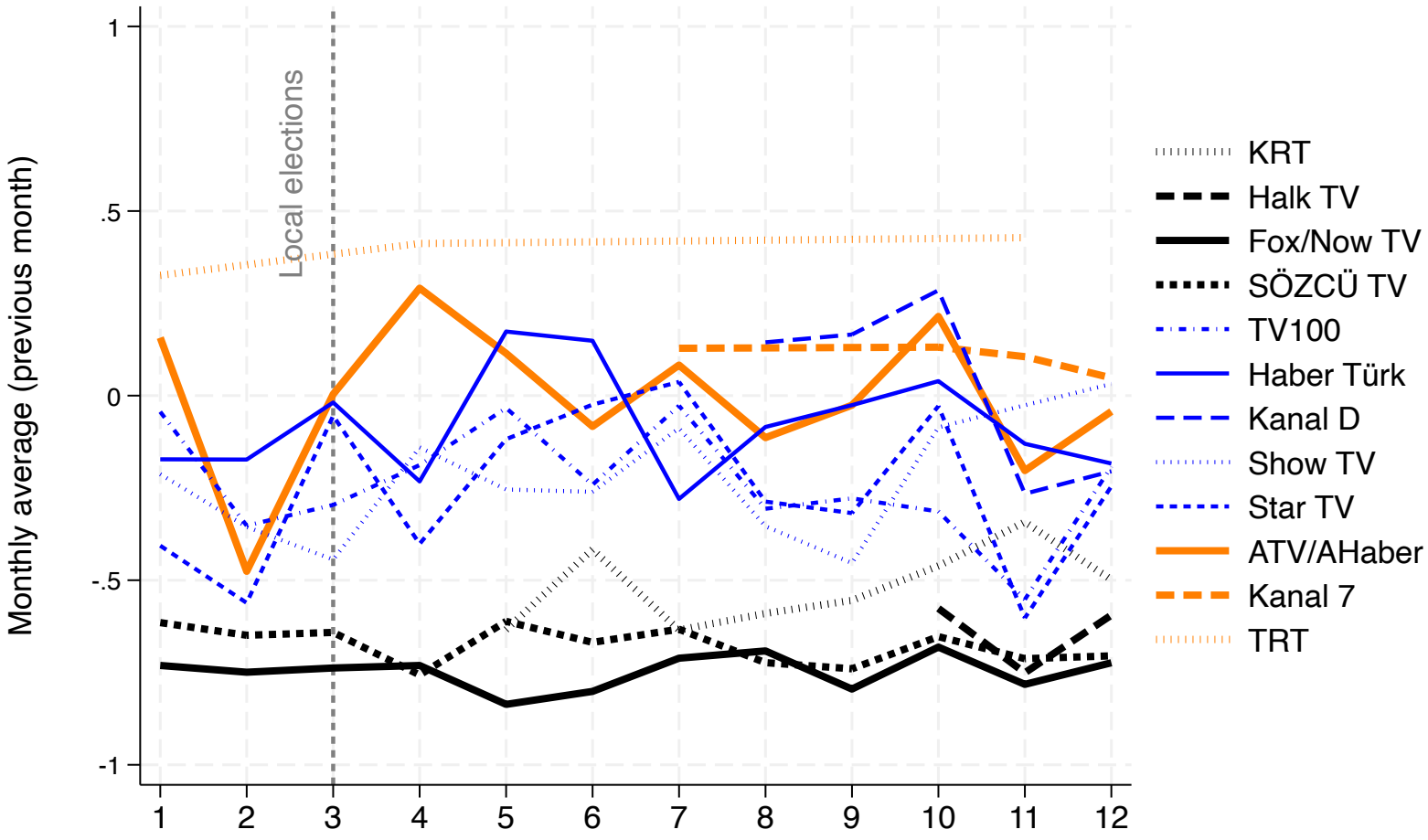


Fig. 2. **Inflation-related Sentiment Scores in Prime-time TV News (2024m1 - 2024m12).**

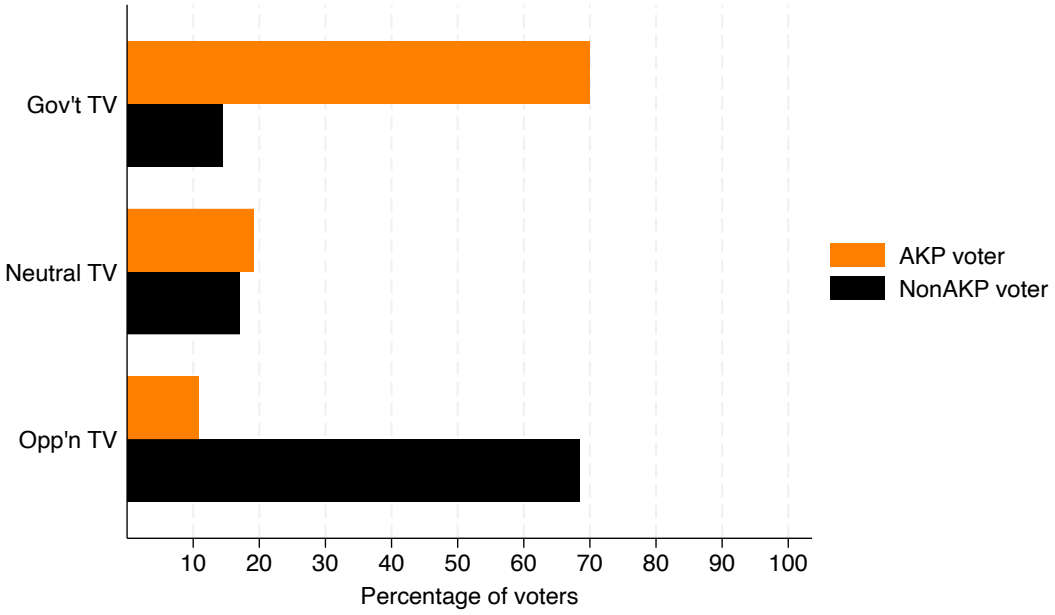


Fig. 3. **TV Viewership by 2023 Vote.**

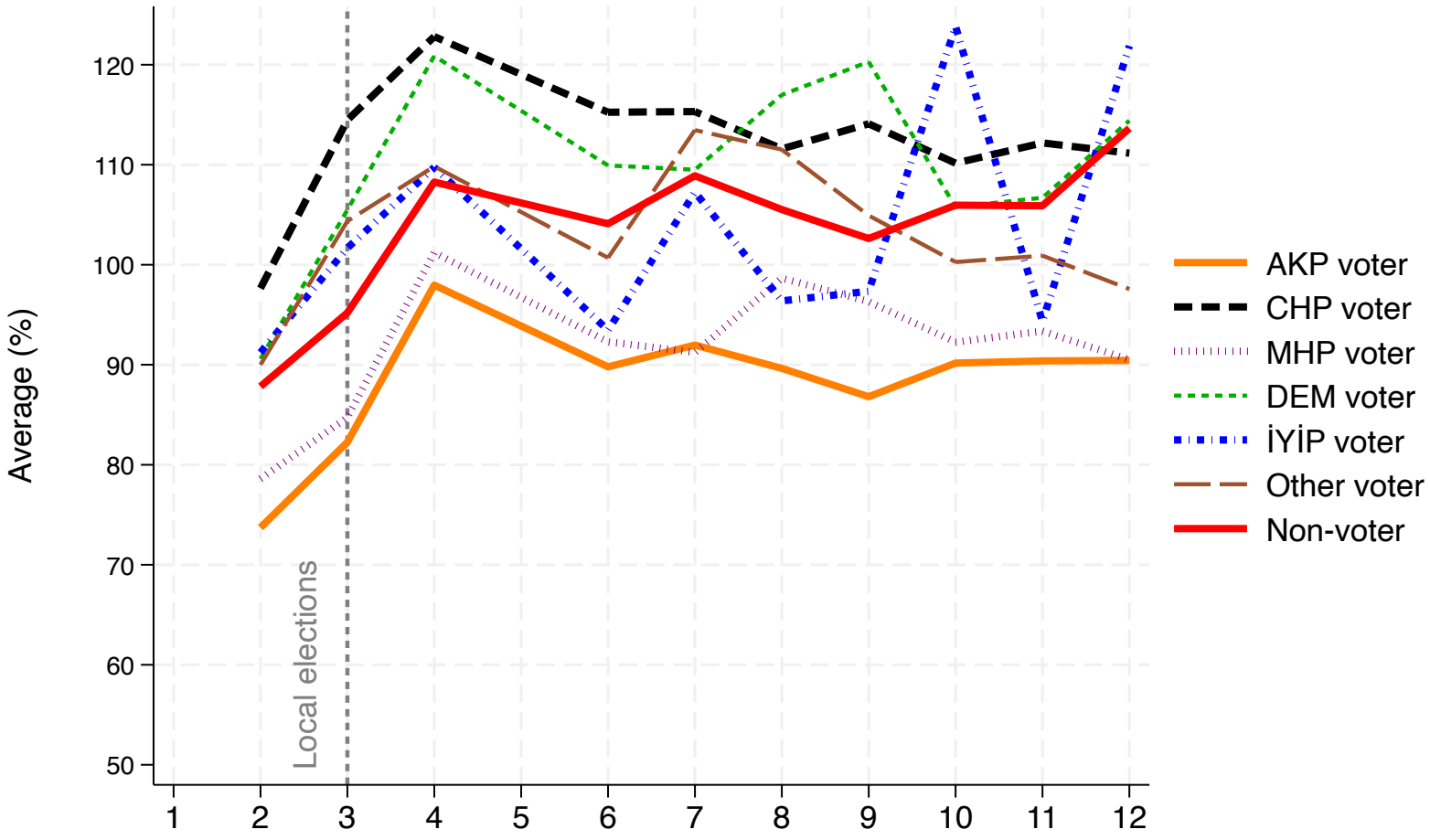


Fig. 4. **Household Inflation Expectations by 2023 Vote (2024m1 - 2024m12).**

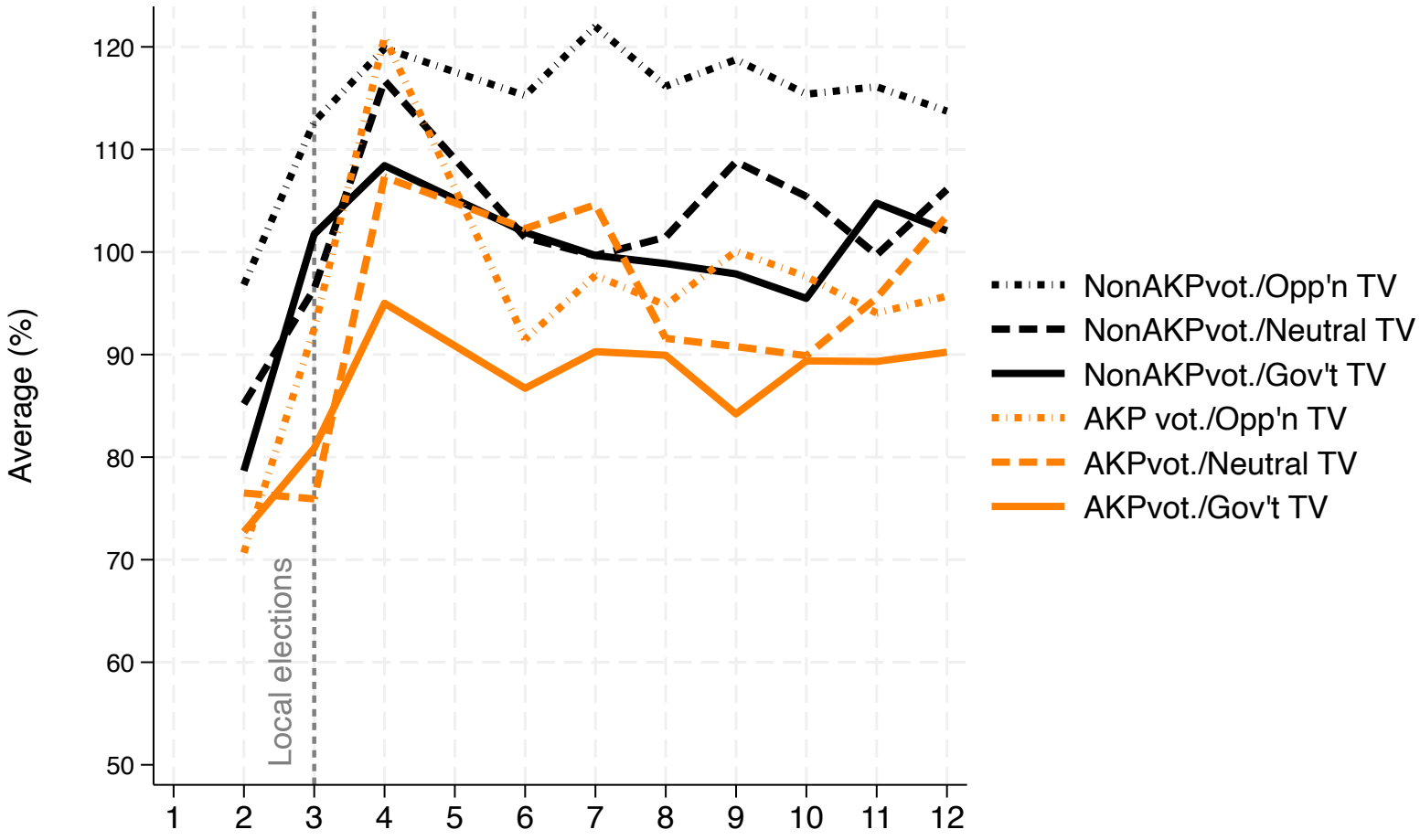
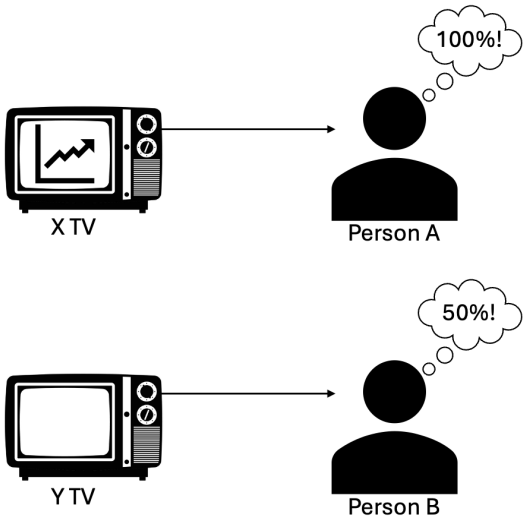
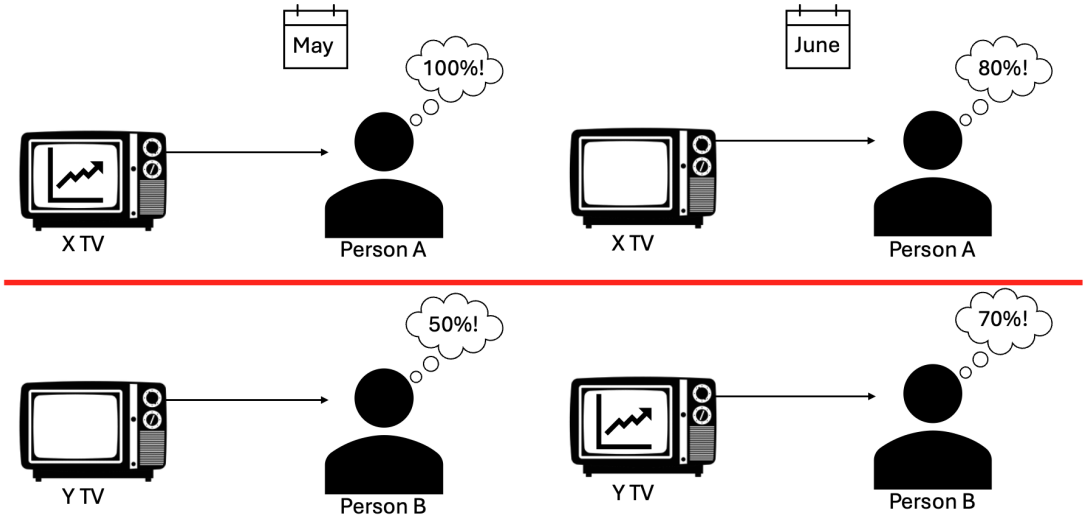


Fig. 5. **Household Inflation Expectations by 2023 Vote and *ex ante* TV Channel Preference (2024m1 - 2024m12).**

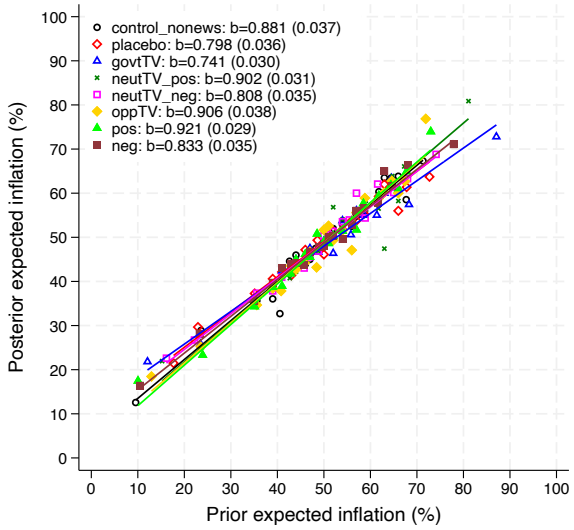


(a) Identification problem

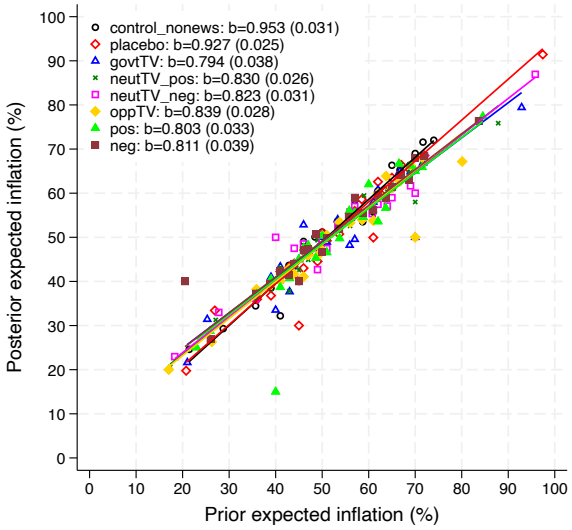


(b) Identification strategy

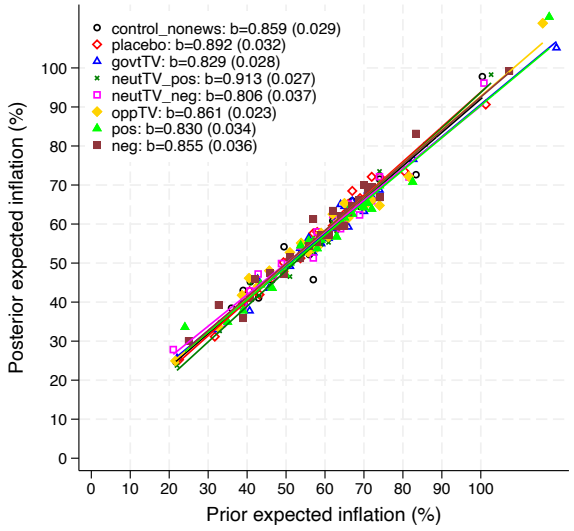
Fig. 6. **Identification Problem vs. Strategy.**



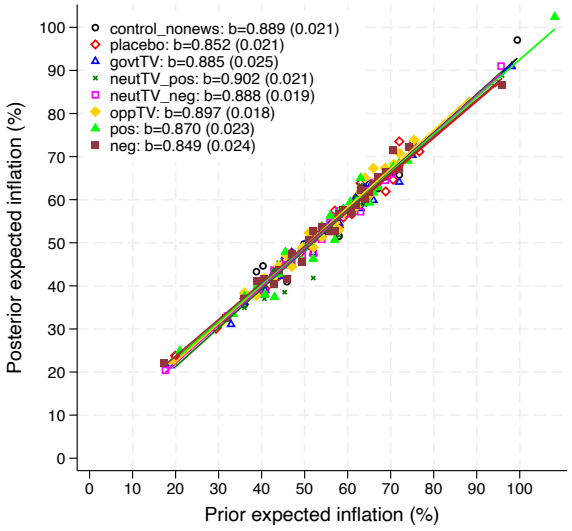
(a) Gov't channel viewers



(b) Neutral channel viewers



(c) Opp'n channel viewers



(d) Non-viewers

Fig. 7. **Randomized Control Trial (RCT): Exposure to Media Slant and Inflation Expectations (by *ex ante* TV channel preference).**

	Mean	SD	Min	Max	N
Inflation Expectations	101.154	57.490	20	300	9253
Inflation mentions on TV	4.527	3.388	0	19	9253
Household income (TL)	36877.808	26256.395	0	900000	9253
Age	39.971	13.277	18	88	9253
Number of households	3.485	1.415	1	10	9253
Not literate	0.014	0.116	0	1	9253
Literate (no diploma)	0.011	0.104	0	1	9253
Primary school	0.186	0.389	0	1	9253
Secondary school	0.142	0.350	0	1	9253
High school	0.351	0.477	0	1	9253
University (UG)	0.278	0.448	0	1	9253
University (PG)	0.016	0.127	0	1	9253
University (PhD)	0.002	0.039	0	1	9253
Single	0.218	0.413	0	1	9253
Engaged	0.015	0.121	0	1	9253
Married	0.701	0.458	0	1	9253
Widow	0.028	0.165	0	1	9253
Divorced	0.039	0.194	0	1	9253
White collar	0.152	0.359	0	1	9253
Worker	0.328	0.469	0	1	9253
Retired	0.098	0.297	0	1	9253
Housewife	0.327	0.469	0	1	9253
Student	0.044	0.206	0	1	9253
Unemployed	0.051	0.220	0	1	9253
Modern	0.459	0.498	0	1	9253
Traditional	0.412	0.492	0	1	9253
Religious	0.129	0.336	0	1	9253
Turkish	0.860	0.347	0	1	9253
Kurdish	0.129	0.336	0	1	9253
Zaza	0.003	0.055	0	1	9253
Arabic	0.004	0.062	0	1	9253
Atheist	0.012	0.109	0	1	9253
Non-believer	0.019	0.138	0	1	9253
Believer	0.368	0.482	0	1	9253
Religious	0.571	0.495	0	1	9253
Very religious	0.030	0.171	0	1	9253

Table 1: **Summary Statistics.**

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*					
Inflation mentions on TV	3.050***	2.787***	1.655***	1.152**	1.778***	1.596***
	[0.351]	[0.366]	[0.464]	[0.523]	[0.579]	[0.584]
Individual controls	No	Yes	Yes	Yes	Yes	Yes
Individual FE	No	No	Yes	Yes	Yes	Yes
Time FE	No	No	No	Yes	No	No
Party × Time FE	No	No	No	No	Yes	Yes
Province × Time FE	No	No	No	No	No	Yes
Observations	11,887	9,253	9,188	9,188	8,644	8,545

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 2: **Inflation Mentions on Prime-time TV News and Inflation Expectations.**

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*			*Perceived Past Inflation*		
Inflation mentions on TV	1.152**	1.778***	1.596***	0.180	-0.217	0.006
	[0.523]	[0.579]	[0.584]	[0.516]	[0.579]	[0.555]
Individual controls	Yes	Yes	Yes	Yes	Yes	Yes
Individual FE	Yes	Yes	Yes	Yes	Yes	Yes
Time FE	Yes	No	No	Yes	No	No
Party × Time FE	No	Yes	Yes	No	Yes	Yes
Province × Time FE	No	No	Yes	No	No	Yes
Observations	9,188	8,644	8,545	8,698	8,199	8,118

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 3: **Inflation Mentions on Prime-time TV News and Perceived Inflation in the Past Year.**

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*					
Inflation mentions on TV	1.084***	1.339***	0.645	0.850*	1.421***	1.202**
	[0.210]	[0.244]	[0.403]	[0.434]	[0.500]	[0.480]
Perceived Past Inflation	0.698***	0.698***	0.534***	0.537***	0.536***	0.533***
	[0.017]	[0.020]	[0.025]	[0.025]	[0.025]	[0.024]
Individual controls	No	Yes	Yes	Yes	Yes	Yes
Individual FE	No	No	Yes	Yes	Yes	Yes
Time FE	No	No	No	Yes	No	No
Party × Time FE	No	No	No	No	Yes	Yes
Province × Time FE	No	No	No	No	No	Yes
Observations	9,547	7,227	7,132	7,132	6,713	6,636

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 4: **Inflation Mentions on Prime-time TV News and Inflation Expectations (controlling for perceived inflation in the past year).**

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*			*Inflation Expectations (binary)*		
Inflation mentions on TV x Gov't channel	2.980	2.551	1.892	1.171	1.856	1.451
	[1.914]	[1.924]	[2.063]	[1.295]	[1.342]	[1.476]
Inflation mentions on TV x Neutral channel	5.491***	4.566***	5.069***	3.989***	3.085***	3.490***
	[1.573]	[1.578]	[1.659]	[1.082]	[0.974]	[1.039]
Inflation mentions on TV x Opposition channel	0.887	0.719	1.247*	0.101	0.310	0.369
	[0.545]	[0.590]	[0.646]	[0.432]	[0.410]	[0.486]
Individual controls	Yes	Yes	Yes	Yes	Yes	Yes
Individual FE	Yes	Yes	Yes	Yes	Yes	Yes
Time FE	Yes	No	No	Yes	No	No
Province × Time FE	No	Yes	Yes	No	Yes	Yes
Party × Time FE	No	No	Yes	No	No	Yes
Observations	9,188	9,091	8,545	9,687	9,596	9,023

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 5: **Inflation Mentions on Prime-time TV News and Inflation Expectations (by channel type).** XX.

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*			*Inflation Expectations (binary)*		
Inflation mentions on TV x Gov't channel x AKPvote2023	4.215**	3.192	1.706	0.912	1.431	-0.080
	[2.106]	[2.214]	[2.380]	[1.326]	[1.382]	[1.537]
Inflation mentions on TV x Gov't channel x nonAKPvote2023	-0.612	1.031	3.005	2.100	3.744	4.993
	[4.383]	[4.117]	[4.258]	[3.319]	[3.201]	[3.279]
Inflation mentions on TV x Neutral channel x AKPvote2023	8.545***	8.610***	7.809***	4.308***	4.345***	3.664**
	[2.513]	[2.559]	[2.568]	[1.549]	[1.458]	[1.424]
Inflation mentions on TV x Neutral channel x nonAKPvote2023	4.230**	2.945	3.652*	4.206***	2.793**	3.423**
	[1.993]	[2.058]	[2.185]	[1.469]	[1.308]	[1.435]
Inflation mentions on TV x Opp'n channel x AKPvote2023	0.652	0.958	0.676	-0.090	0.334	0.204
	[1.123]	[1.151]	[1.160]	[0.733]	[0.768]	[0.781]
Inflation mentions on TV x Opp'n channel x nonAKPvote2023	1.001	0.784	1.416*	0.054	0.229	0.496
	[0.629]	[0.702]	[0.763]	[0.494]	[0.482]	[0.591]
Individual controls	Yes	Yes	Yes	Yes	Yes	Yes
Individual FE	Yes	Yes	Yes	Yes	Yes	Yes
Time FE	Yes	No	No	Yes	No	No
Province × Time FE	No	Yes	Yes	No	Yes	Yes
Party × Time FE	No	No	Yes	No	No	Yes
Observations	8,644	8,545	8,545	9,118	9,023	9,023

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 6: **Inflation Mentions on Prime-time TV News and Inflation Expectations (by channel and voter type).**

	(1)	(2)	(3)	(4)	(5)
Outcome ⟶			*Posterior*		
Prior × Positive slant (gov't TV)	-0.057***	-0.140***	-0.158***	-0.031	-0.004
	[0.019]	[0.048]	[0.049]	[0.040]	[0.032]
Prior × Positive slant (neutral TV)	-0.005	0.022	-0.123***	0.054	0.014
	[0.018]	[0.048]	[0.041]	[0.040]	[0.029]
Prior × Negative slant (neutral TV)	-0.034*	-0.073	-0.129***	-0.053	-0.000
	[0.018]	[0.051]	[0.044]	[0.047]	[0.028]
Prior × Negative slant (opp'n TV)	-0.007	0.026	-0.113***	0.002	0.008
	[0.018]	[0.053]	[0.042]	[0.037]	[0.027]
Prior × Positive slant (no logo)	-0.026	0.040	-0.150***	-0.029	-0.019
	[0.019]	[0.047]	[0.046]	[0.045]	[0.031]
Prior × Negative slant (no logo)	-0.038*	-0.048	-0.141***	-0.004	-0.039
	[0.020]	[0.051]	[0.050]	[0.047]	[0.032]
Prior × Placebo	-0.021	-0.082	-0.026	0.032	-0.037
	[0.018]	[0.052]	[0.040]	[0.044]	[0.029]
Prior	0.891***	0.881***	0.953***	0.859***	0.889***
	[0.013]	[0.037]	[0.031]	[0.029]	[0.021]
Sample of channel viewers	All	Gov't channel	Neutral channel	Opp'n channel	Non-viewers
Baseline treatments controlled	Yes	Yes	Yes	Yes	Yes
Observations	8,156	1,666	1,401	2,065	3,028

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table 7: **Randomized Control Trial (RCT): Exposure to Media Slant and Inflation Expectations.** XX.

Online Appendix

Polarized Media and Inflation Expectations

Selva Demiralp Orkun Saka Michael Weber

March 2026

Appendix A - Demographic Profiles of Viewers across Different TV Channels

In this appendix, we present the demographic profiles of viewers across different TV channels to assess whether specific channels attract audiences with distinct characteristics. Prior research suggests that demographic factors can influence inflation expectations. meanwhile, if a channel's viewership is concentrated among individuals sharing certain traits, the channel may tailor its content accordingly—raising the possibility of reverse causality between audience composition and the information presented.

How might demographic traits influence inflation expectations?

• Age: Inflation expectations tend to increase with age. According to Malmendier and Nagel (2016), younger individuals place more weight on current inflation, while older individuals are more influenced by past experiences.

• Gender: Female respondents generally report higher inflation expectations (Reiche, 2024)

• Rural vs. Urban: Reported inflation tends to be lower in rural areas, possibly due to differences in consumption baskets or price levels.

• Income: Individuals with fixed or low incomes are more affected by inflation. Their expectations may reflect heightened sensitivity to price changes in essential goods.

• Education: Studies show that individuals with lower educational attainment tend to have less accurate inflation expectations (D'Acunto et al., 2022. This may reflect lower economic literacy or reduced interest to inflation-related news.

These patterns suggest that audience characteristics vary significantly, making it non-trivial for a television channel to determine the optimal level or tone of inflation coverage. When focusing on TV channels in our sample, no single demographic factor clearly dominates in shaping demand for inflation content, weakening the argument of reverse causality. Thus, content decisions likely depend on a more nuanced understanding of the audience than any one trait can provide.

Appendix B - A Brief Overview of Inflationary Trends in Turkey

Following the severe financial crisis of 2001, Turkey implemented a comprehensive macroeconomic stabilization program that included major institutional reforms in monetary policy. During the period between 2001 and 2004, the Central Bank of the Republic of Turkey (CBRT) operated under a transitional framework of implicit inflation targeting. In 2005, the CBRT introduced pre-announced policy meeting dates, and in January 2006 it formally adopted an explicit inflation targeting (IT) regime. These reforms initially produced notable success in reducing inflation. As shown in Figure B1, the inflation rate declined rapidly in the early 2000s, reaching single-digit levels by the mid-2000s.

Despite this initial progress, the long-run performance of the inflation targeting regime has been considerably weaker. Although inflation remained in the high single digits for much of the period following the adoption of explicit inflation targeting, it generally exceeded the official target set by the CBRT. Over time, this persistent gap between realized inflation and the target weakened the credibility of the inflation targeting framework. The deterioration became particularly pronounced in the late 2010s. The exchange rate crisis of 2018 triggered a sharp acceleration in inflation, and the expansionary policies implemented in the period leading up to the 2023 general elections further intensified inflationary pressures. As a result, annual inflation reached a peak of approximately 65 percent in 2023 and 2024. While inflation began to decline following the return to more orthodox macroeconomic policies after the 2023 elections, the disinflation process has remained gradual.

The past performance of a central bank within an inflation targeting regime is one of the key determinants of its credibility. When credibility is weak and long-term inflation expectations are not well anchored, economic agents tend to update their expectations based on past inflation outcomes. In such environments, inflation expectations can become self-reinforcing, generating persistent inflation dynamics (Davis, 2014). The evidence presented in Figure 1 suggests that although the CBRT initially made progress in establishing credibility under the inflation targeting framework, this reputation has gradually eroded over time. During the roughly twenty-five years since the introduction of explicit inflation targeting, inflation has met the official target in only a small number of years and has exhibited an upward trend, particularly during the past decade. The deterioration in inflation performance may therefore have weakened the CBRT's anti-inflation credibility and increased the importance of alternative sources of information, such as media coverage, in shaping household inflation expectations.

Several factors may explain the disappointing performance of the inflation targeting

regime in Turkey. One important factor is the global macroeconomic environment Shortly after the regime was introduced, the global economy experienced the 2007–2009 financial crisis. In response to the crisis, advanced economy central banks implemented large-scale liquidity injections and maintained extremely accommodative monetary policies. The resulting surge in global liquidity created significant challenges for emerging market economies. In particular, central banks faced difficult trade-offs between maintaining price stability and managing financial stability risks associated with large capital inflows. In such an environment, implementing sufficiently tight monetary policy to control inflation became more difficult (Alper et al., 2018). Global inflationary pressures intensified once again in the post-pandemic period. Nevertheless, global factors alone cannot fully explain Turkey's inflation performance. Both in the period after GFC and after the pandemic, many emerging markets faced similar external conditions . However, Turkey's average inflation rate remained significantly higher than that of most peers as shown in Table **??**. This comparison suggests that domestic factors played an important role in the persistent deviation of inflation from the CBRT's target.

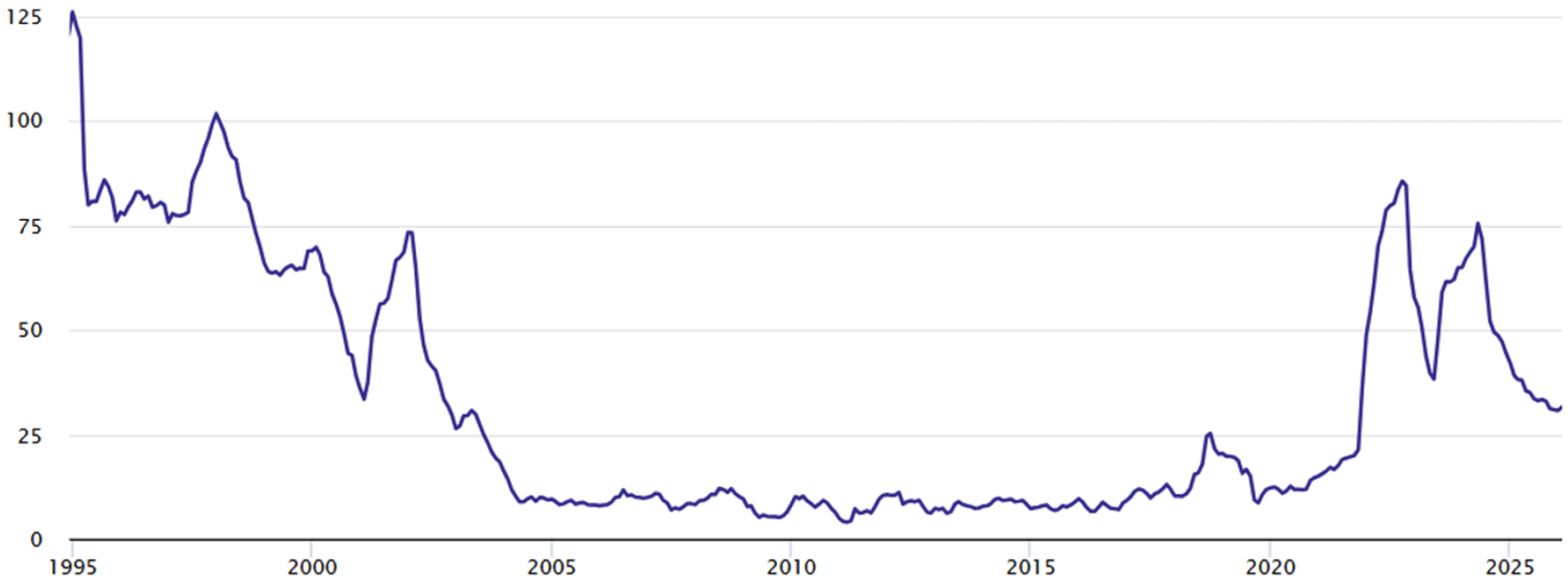


Fig. B1. **Official inflation rate in Turkey.**

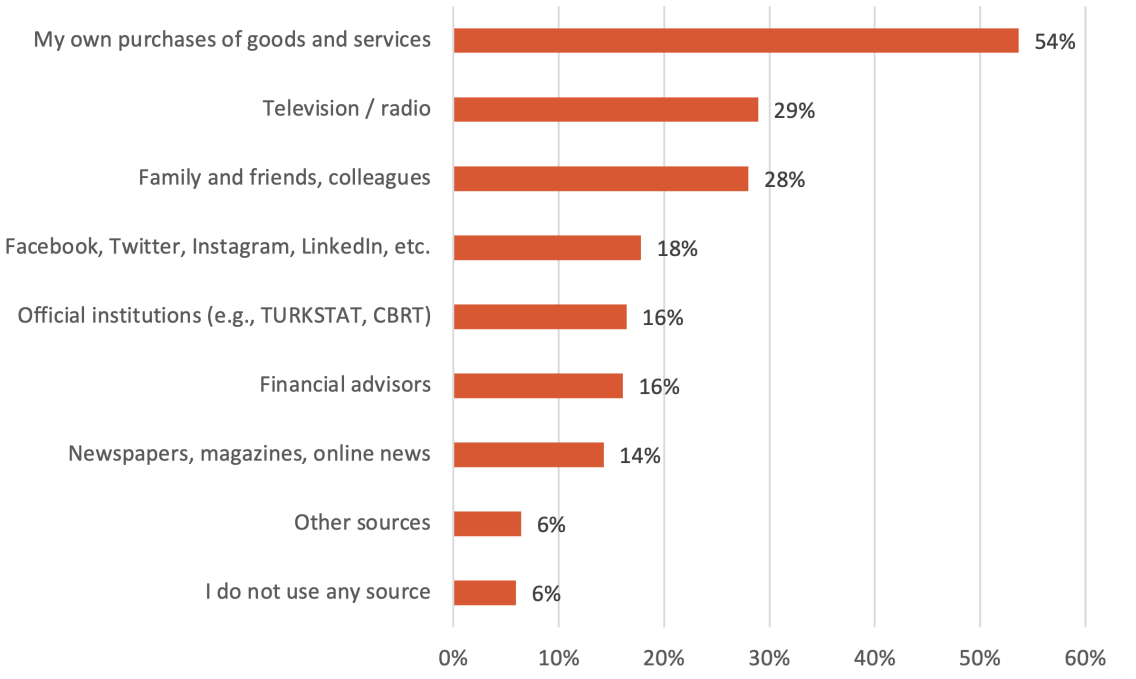


Fig. B2. **Sources of Inflation-related Information for Survey Participants (as of December, 2025).**

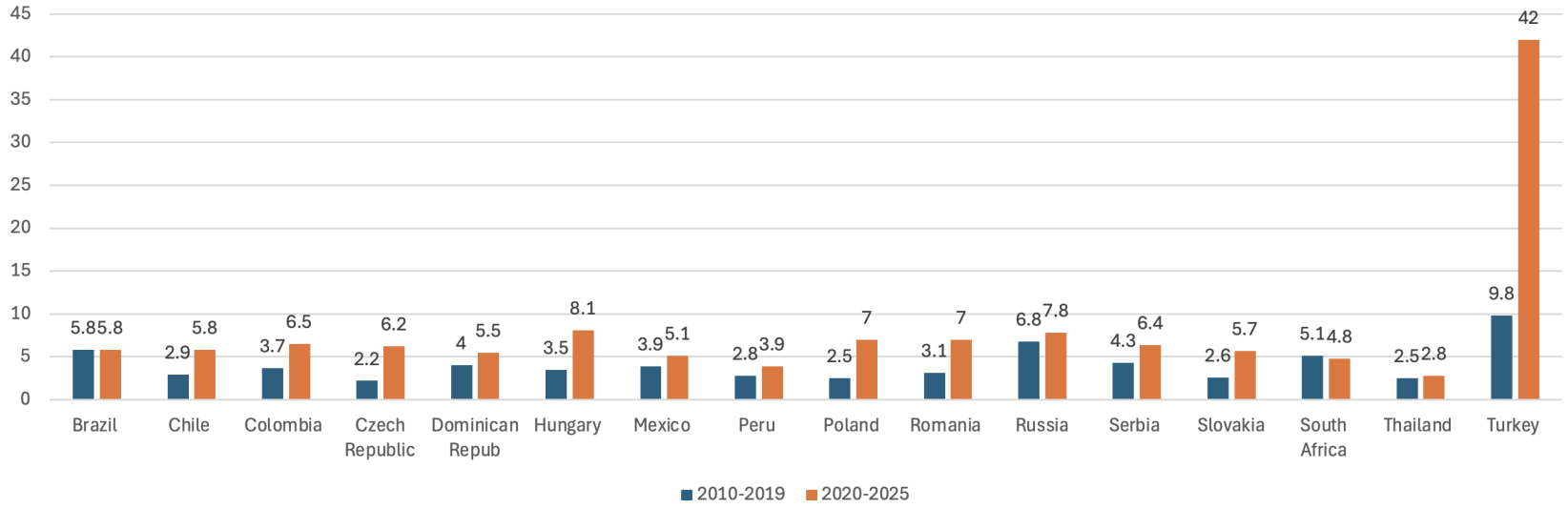


Fig. B3. **Average Inflation Rate in Selected Emerging Market Economies.**

Appendix C - Robustness Checks

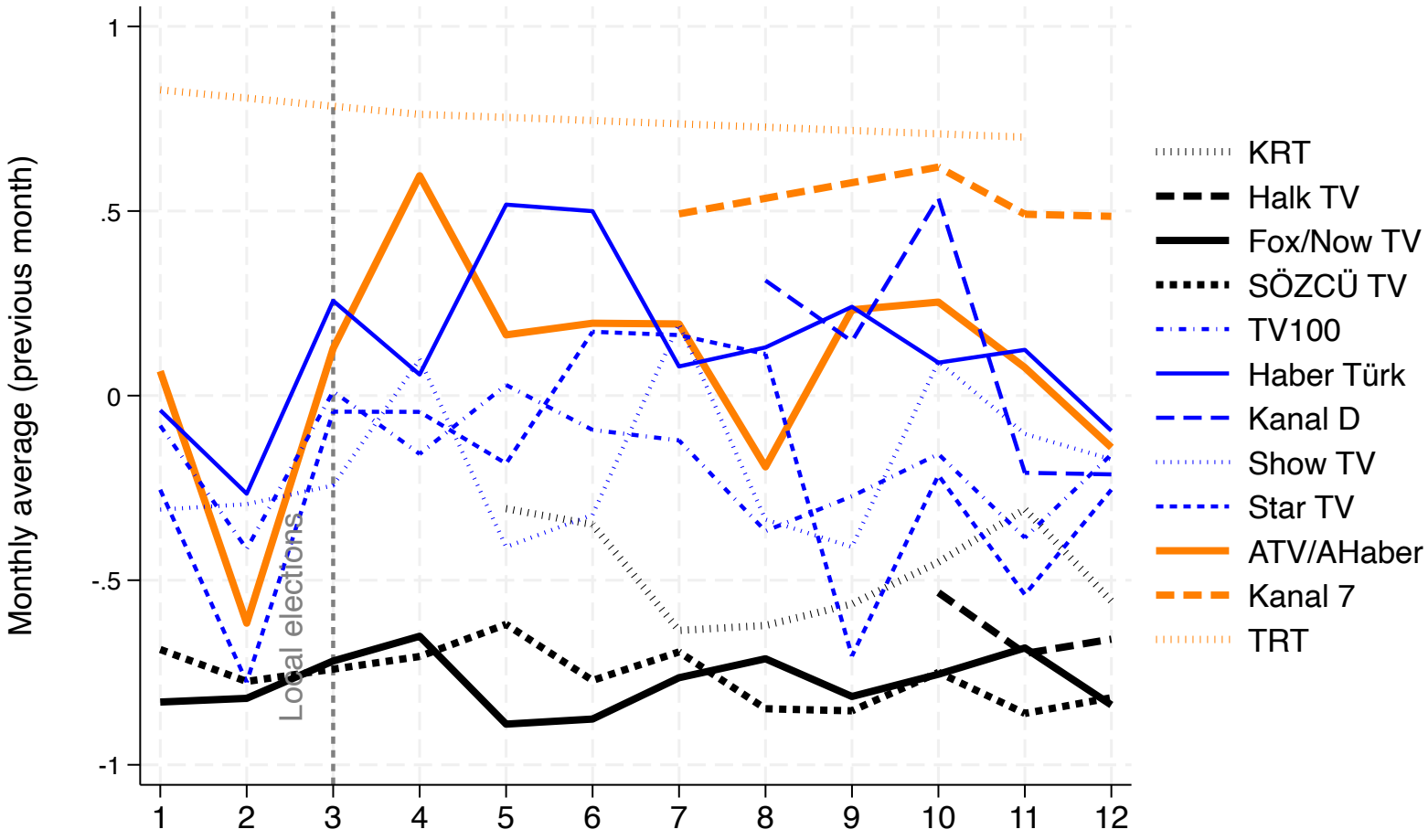
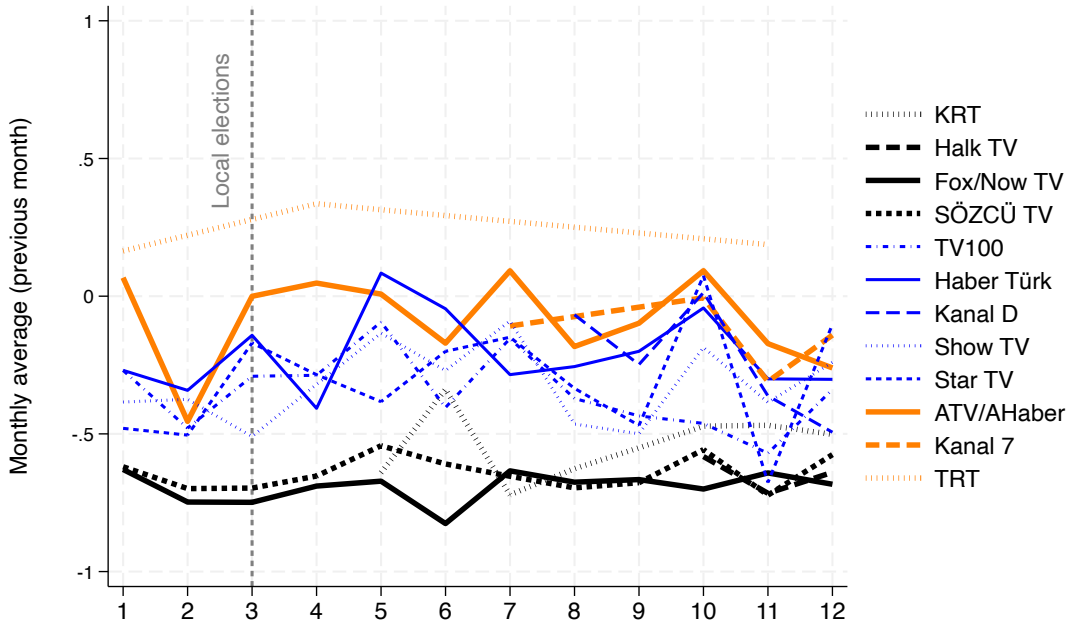
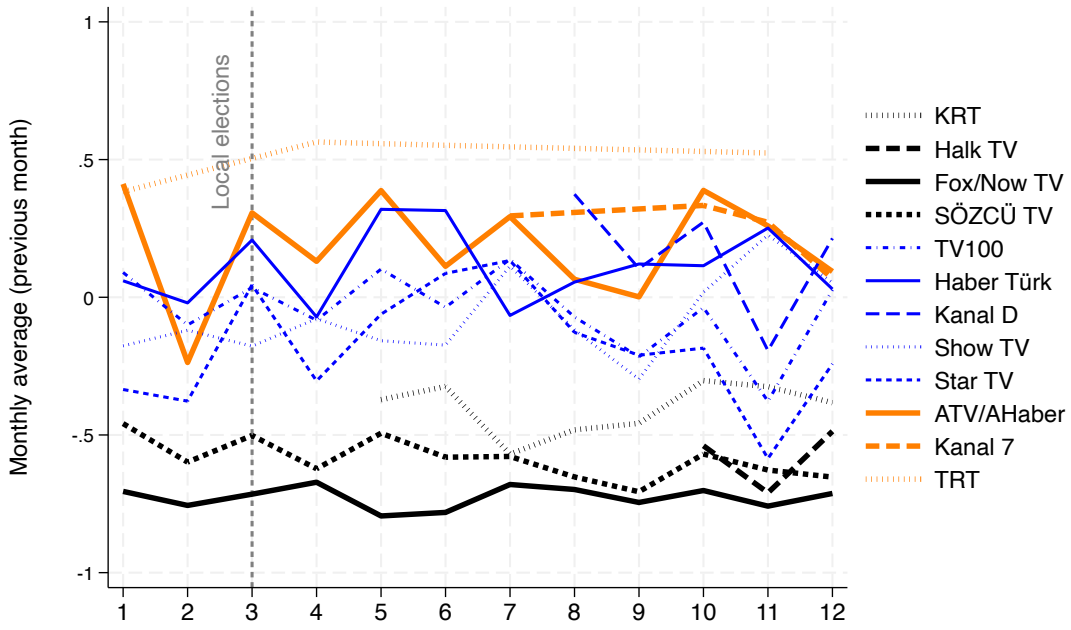


Fig. C1. **Inflation-related Optimism/Pessimism Scores in Prime-time TV News (2024m1 - 2024m12).**

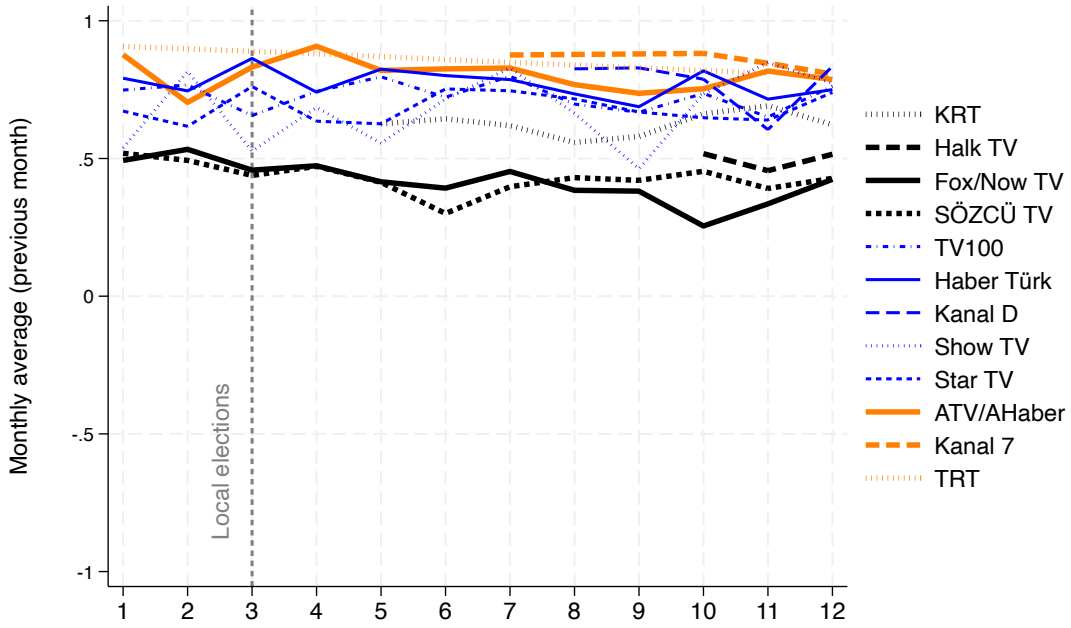


(a) Window: ±15 Words

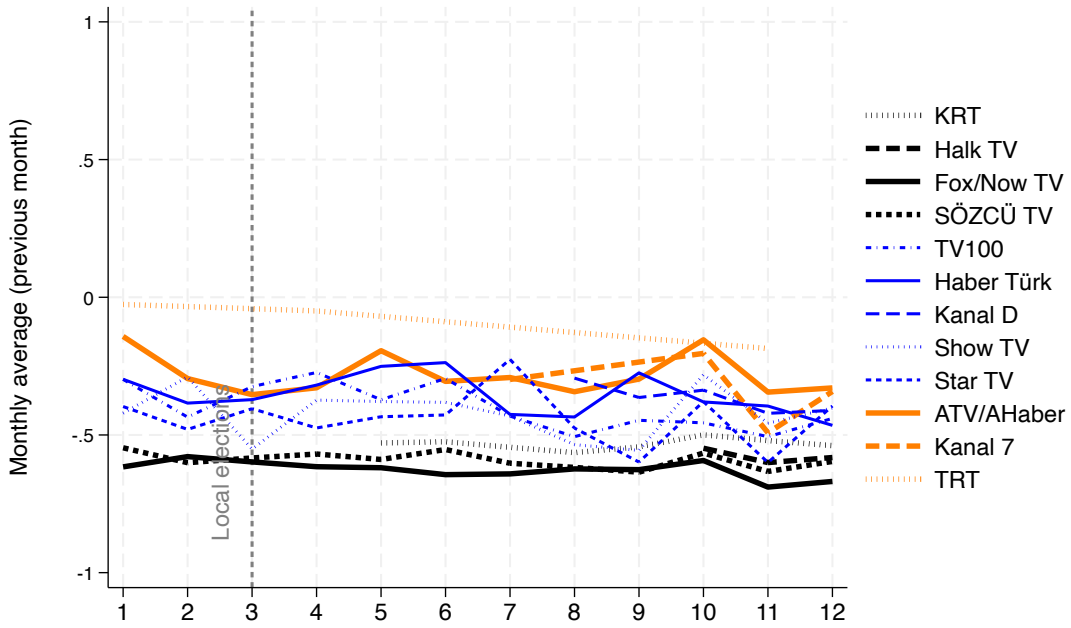


(b) Window: ±50 Words

Fig. C2. **Inflation-related Sentiment Scores in Prime-time TV News with Alternative Window Sizes around Keyword (2024m1 - 2024m12).**



(a) Alternative BERT model



(b) Open-source LLM model (Qwen2.5:3b)

Fig. C3. **Inflation-related Sentiment Scores in Prime-time TV News with Alternative Language Models (2024m1 - 2024m12).**

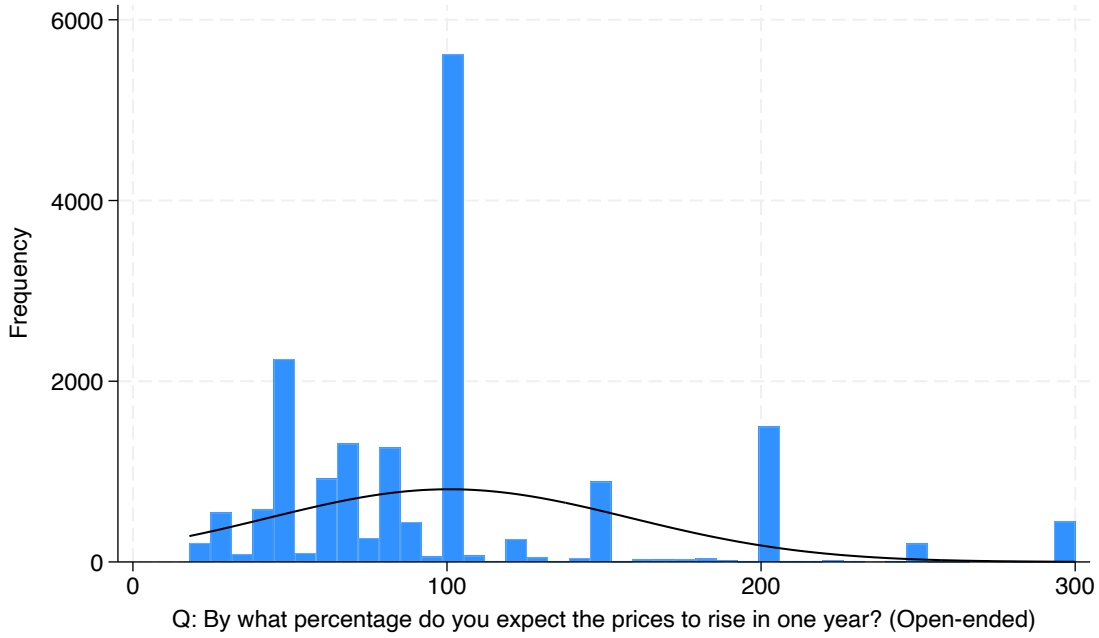


Fig. C4. **Within-sample histogram for inflation expectations.**

TV channel	Number of daily prime-time news videos
ATV / A Haber	418
Fox TV - Now TV	365
Haber Türk	353
Halk TV	63
Kanal 7	103
Kanal D	159
KRT	226
Show TV	358
Star TV	363
TRT	104
SZC TV	361
TV100	268
TOTAL	3141

Table C1: **Number of Daily Prime-time News Videos TV Channel.**

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*					
Inflation mentions on TV	2.545***	2.184***	1.106***	0.714*	1.479***	1.514***
	[0.274]	[0.311]	[0.323]	[0.388]	[0.489]	[0.493]
Individual controls	No	Yes	Yes	Yes	Yes	Yes
Individual FE	No	No	Yes	Yes	Yes	Yes
Time FE	No	No	No	Yes	No	No
Party × Time FE	No	No	No	No	Yes	Yes
Province × Time FE	No	No	No	No	No	Yes
Observations	11,887	9,253	9,188	9,188	8,644	8,545

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table C2: **Inflation Mentions on Prime-time TV News and Inflation Expectations (without sample weights).**

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*					
2.5% removed from both tails (Baseline)						
Inflation mentions on TV	3.050***	2.787***	1.655***	1.152**	1.778***	1.596***
	[0.351]	[0.366]	[0.464]	[0.523]	[0.579]	[0.584]
Observations	11,887	9,253	9,188	9,188	8,644	8,545
1% removed from both tails						
Inflation mentions on TV	3.289***	3.043***	1.505**	0.726	1.273*	1.204*
	[0.456]	[0.480]	[0.612]	[0.715]	[0.738]	[0.730]
Observations	12,246	9,517	9,458	9,458	8,896	8,802
5% removed from both tails						
Inflation mentions on TV	2.288***	2.122***	1.262***	0.649	1.176**	1.061**
	[0.273]	[0.302]	[0.325]	[0.404]	[0.461]	[0.462]
Observations	11,055	8,601	8,521	8,521	8,010	7,902
With Huber weights						
Inflation mentions on TV	2.167***	1.744***	0.935***	0.435	0.915***	1.063***
	[0.167]	[0.187]	[0.215]	[0.266]	[0.328]	[0.338]
Observations	11,918	9,283	9,218	9,218	8,657	8,560
Individual controls	No	Yes	Yes	Yes	Yes	Yes
Individual FE	No	No	Yes	Yes	Yes	Yes
Time FE	No	No	No	Yes	No	No
Party × Time FE	No	No	No	No	Yes	Yes
Province × Time FE	No	No	No	No	No	Yes

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table C3: **Inflation Mentions on Prime-time TV News and Inflation Expectations (with alternative ways of removing outliers).**

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*					
Restricting to individuals with at least 5 observations (Baseline)						
Inflation mentions on TV	3.050***	2.787***	1.655***	1.152**	1.778***	1.596***
	[0.351]	[0.366]	[0.464]	[0.523]	[0.579]	[0.584]
Observations	11,887	9,253	9,188	9,188	8,644	8,545
Restricting to individuals with at least 4 observations						
Inflation mentions on TV	2.903***	2.566***	1.528***	0.975**	1.565***	1.381**
	[0.326]	[0.341]	[0.438]	[0.494]	[0.554]	[0.555]
Observations	13,190	10,215	10,121	10,121	9,485	9,382
Restricting to individuals with at least 6 observations						
Inflation mentions on TV	3.181***	2.881***	1.660***	1.244**	1.854***	1.853***
	[0.387]	[0.394]	[0.507]	[0.582]	[0.642]	[0.661]
Observations	10,434	8,171	8,133	8,133	7,691	7,575
Unrestricted						
Inflation mentions on TV	2.763***	2.342***	1.387***	0.764	1.248**	0.991*
	[0.286]	[0.309]	[0.425]	[0.485]	[0.558]	[0.554]
Observations	15,390	11,843	11,479	11,479	10,690	10,590
Individual controls	No	Yes	Yes	Yes	Yes	Yes
Individual FE	No	No	Yes	Yes	Yes	Yes
Time FE	No	No	No	Yes	No	No
Party × Time FE	No	No	No	No	Yes	Yes
Province × Time FE	No	No	No	No	No	Yes

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table C4: **Inflation Mentions on Prime-time TV News and Inflation Expectations (with alternative ways of balancing the sample).**

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*					
Unrestricted (Baseline)						
Inflation mentions on TV	3.050***	2.787***	1.655***	1.152**	1.778***	1.596***
	[0.351]	[0.366]	[0.464]	[0.523]	[0.579]	[0.584]
Observations	11,887	9,253	9,188	9,188	8,644	8,545
Restricting to a minimum of 5 transcripts per channel-month						
Inflation mentions on TV	2.982***	2.709***	1.652***	0.970*	1.518**	1.301**
	[0.353]	[0.369]	[0.465]	[0.539]	[0.596]	[0.594]
Observations	11,573	8,975	8,910	8,910	8,384	8,285
Restricting to a minimum of 10 transcripts per channel-month						
Inflation mentions on TV	2.747***	2.528***	1.568***	0.818	1.377**	1.093*
	[0.364]	[0.368]	[0.469]	[0.572]	[0.623]	[0.625]
Observations	10,970	8,448	8,359	8,359	7,871	7,772
Individual controls	No	Yes	Yes	Yes	Yes	Yes
Individual FE	No	No	Yes	Yes	Yes	Yes
Time FE	No	No	No	Yes	No	No
Party × Time FE	No	No	No	No	Yes	Yes
Province × Time FE	No	No	No	No	No	Yes

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table C5: **Inflation Mentions on Prime-time TV News and Inflation Expectations (with alternative frequencies of news transcripts per channel-month).**

	(1)	(2)	(3)	(4)	(5)	(6)
Outcome ⟶	*Inflation Expectations*					
No channel switching (Baseline)						
Inflation mentions on TV	3.050***	2.787***	1.655***	1.152**	1.778***	1.596***
	[0.351]	[0.366]	[0.464]	[0.523]	[0.579]	[0.584]
Observations	11,887	9,253	9,188	9,188	8,644	8,545
Channel switching allowed						
Inflation mentions on TV	3.517***	3.317***	1.271***	0.851**	1.211***	0.702
	[0.369]	[0.383]	[0.434]	[0.432]	[0.430]	[0.458]
Observations	7,207	6,226	5,950	5,950	5,658	5,505
Channel switching allowed with Huber weights						
Inflation mentions on TV	2.583***	2.258***	0.837***	0.432*	0.720***	0.669**
	[0.175]	[0.186]	[0.200]	[0.224]	[0.253]	[0.266]
Observations	7,230	6,231	5,955	5,955	5,657	5,506
Individual controls	No	Yes	Yes	Yes	Yes	Yes
Individual FE	No	No	Yes	Yes	Yes	Yes
Time FE	No	No	No	Yes	No	No
Party × Time FE	No	No	No	No	Yes	Yes
Province × Time FE	No	No	No	No	No	Yes

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table C6: **Inflation Mentions on Prime-time TV News and Inflation Expectations (when channel switching is allowed).**

	(1)	(2)	(3)	(4)	(5)
Outcome ⟶			*Posterior*		
Prior × Positive slant (gov't TV)	-0.031	-0.291***	-0.216*	-0.062	0.022
	[0.036]	[0.077]	[0.127]	[0.049]	[0.129]
Prior × Positive slant (neutral TV)	-0.013	-0.231***	-0.166	0.065	0.027
	[0.038]	[0.078]	[0.142]	[0.053]	[0.113]
Prior × Negative slant (neutral TV)	-0.050	0.029	-0.757***	-0.033	0.086
	[0.034]	[0.056]	[0.089]	[0.064]	[0.116]
Prior × Negative slant (opp'n TV)	-0.028	0.031	-0.743***	-0.030	-0.025
	[0.034]	[0.056]	[0.089]	[0.043]	[0.133]
Prior	0.929***	0.834***	0.757***	0.951***	0.778***
	[0.026]	[0.046]	[0.089]	[0.030]	[0.105]
Sample of channel viewers	All	Gov't channel	Neutral channel	Opp'n channel	Non-viewers
Baseline treatments controlled	Yes	Yes	Yes	Yes	Yes
Observations	1,434	469	272	526	190

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table C7: **Pilot Experiment: Exposure to Media Slant and Inflation Expectations.** XX.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Outcome ⟶	Male	Age	Tertiary Education	Secondary Education	High Income	Employed	Modern	Gov't-channel Viewer	Opp'n-channel Viewer	Neutral-channel Viewer	AKPvote2023	CHPvote2023	Perceived Past Inflation
Positive slant (gov't TV)	-0.008	-1.848**	0.037*	-0.037*	-0.011	-0.001	-0.023	0.005	-0.021	-0.016	0.002	0.007	0.109
	[0.022]	[0.725]	[0.021]	[0.020]	[0.022]	[0.020]	[0.022]	[0.017]	[0.019]	[0.017]	[0.020]	[0.019]	[0.714]
Positive slant (neutral TV)	-0.003	-1.130	0.038*	-0.015	0.004	0.008	-0.028	-0.004	0.015	-0.015	-0.013	0.012	-0.839
	[0.022]	[0.721]	[0.021]	[0.020]	[0.022]	[0.020]	[0.022]	[0.017]	[0.019]	[0.017]	[0.020]	[0.019]	[0.684]
Negative slant (neutral TV)	0.031	-1.716**	0.032	-0.007	0.014	0.051**	-0.041*	-0.011	-0.033*	-0.017	-0.013	-0.007	0.125
	[0.022]	[0.727]	[0.021]	[0.020]	[0.022]	[0.020]	[0.022]	[0.017]	[0.019]	[0.017]	[0.020]	[0.019]	[0.701]
Negative slant (opp'n TV)	-0.005	-0.947	0.051**	-0.015	0.030	0.022	-0.015	0.032*	-0.004	-0.014	-0.023	-0.010	-1.074
	[0.022]	[0.717]	[0.021]	[0.020]	[0.022]	[0.020]	[0.022]	[0.018]	[0.019]	[0.017]	[0.020]	[0.019]	[0.711]
Positive slant (no logo)	-0.023	-1.001	0.006	0.012	0.001	0.013	-0.021	0.026	-0.021	-0.034**	-0.020	0.002	0.295
	[0.022]	[0.735]	[0.020]	[0.020]	[0.022]	[0.020]	[0.022]	[0.018]	[0.019]	[0.016]	[0.020]	[0.019]	[0.617]
Negative slant (no logo)	-0.004	-0.829	-0.023	0.007	0.017	0.033*	-0.034	0.012	-0.038**	0.013	0.008	-0.005	-0.249
	[0.022]	[0.733]	[0.020]	[0.020]	[0.022]	[0.020]	[0.022]	[0.017]	[0.019]	[0.017]	[0.020]	[0.019]	[0.617]
Placebo	0.021	-1.090	-0.022	0.016	-0.003	0.010	-0.030	-0.014	-0.010	-0.026	-0.046**	-0.029	0.192
	[0.022]	[0.751]	[0.020]	[0.020]	[0.022]	[0.020]	[0.022]	[0.017]	[0.019]	[0.017]	[0.020]	[0.019]	[0.615]
Control group	No news	No news	No news	No news	No news	No news	No news	No news	No news	No news	No news	No news	No news
Control mean	0.499	45.192	0.325	0.305	0.551	0.687	0.526	0.196	0.267	0.185	0.310	0.251	54.602
F-stat	1.214	1.220	3.843	1.528	0.750	1.614	0.677	1.751	1.754	1.489	1.482	0.867	0.947
Observations	8,333	8,338	8,338	8,338	8,338	8,338	8,338	8,338	8,338	8,338	8,338	8,338	8,338

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table C8: **Randomized Control Trial: Balance Tests.**