

The effect of Media Bias on Conflict and the Provision of a Public Good in a Model of Location Choice

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Preliminary Draft

ABSTRACT

We analyze a model of conflict between an insurgency and a government. The median voter chooses an equilibrium tax rate and the government chooses how much tax revenue to allocate to defense. The rest of the tax revenue is used to provide a public good that benefits the minority who may join the insurgency. There is a single media outlet that is assumed to report on the value of the public good. In this context, we determine how the location of the attack and its probability changes when the media outlet is captured by the elites vis-a-vis when it is independent. Further, we analyze the likelihood of capture when inequality changes and investigate how that affects both the location of attack and its probability. Finally, we show whether or not the governments concern for providing more security has any bearing on the likelihood of capture and its impact on both the location and probability of an attack.

KEY WORDS: Location Choice; Public Good; Repression; Inequality.

JEL Classification: H56; J15; D63; D74.

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