Wealth Inequality and Media Narratives: Exploring Redistribution Policy Debates on Taxation in German-Speaking Countries

Hendrik Theine (WU)
Alexander Stäudelmayr (WU)
Magdalena Maad (WU)
Andrea Grisold (WU)
Moritz Gartiser (Uni Duisburg-Essen)

The Puzzle:

Citizens seem to be in favour of public policies which are not in their favour?

Questions we are interested in

How are wealth related public policies reported?

- What *narratives* are used to advocate or to discard wealth related taxes?
  How do they spread and shape the perceptions on economic processes and public policies

- Differences between news media outlets/ countries/ time

- Which values and norms underpin the narratives?

(collective) Economic Narratives on wealth taxation

"A collective economic narrative is a sense-making story about some economically relevant topic that is shared by members of a group, emerges and proliferates in social interaction, and suggests actions."

Roos and Reccius (2024, p. 12)

Method

Most prevalent Narratives

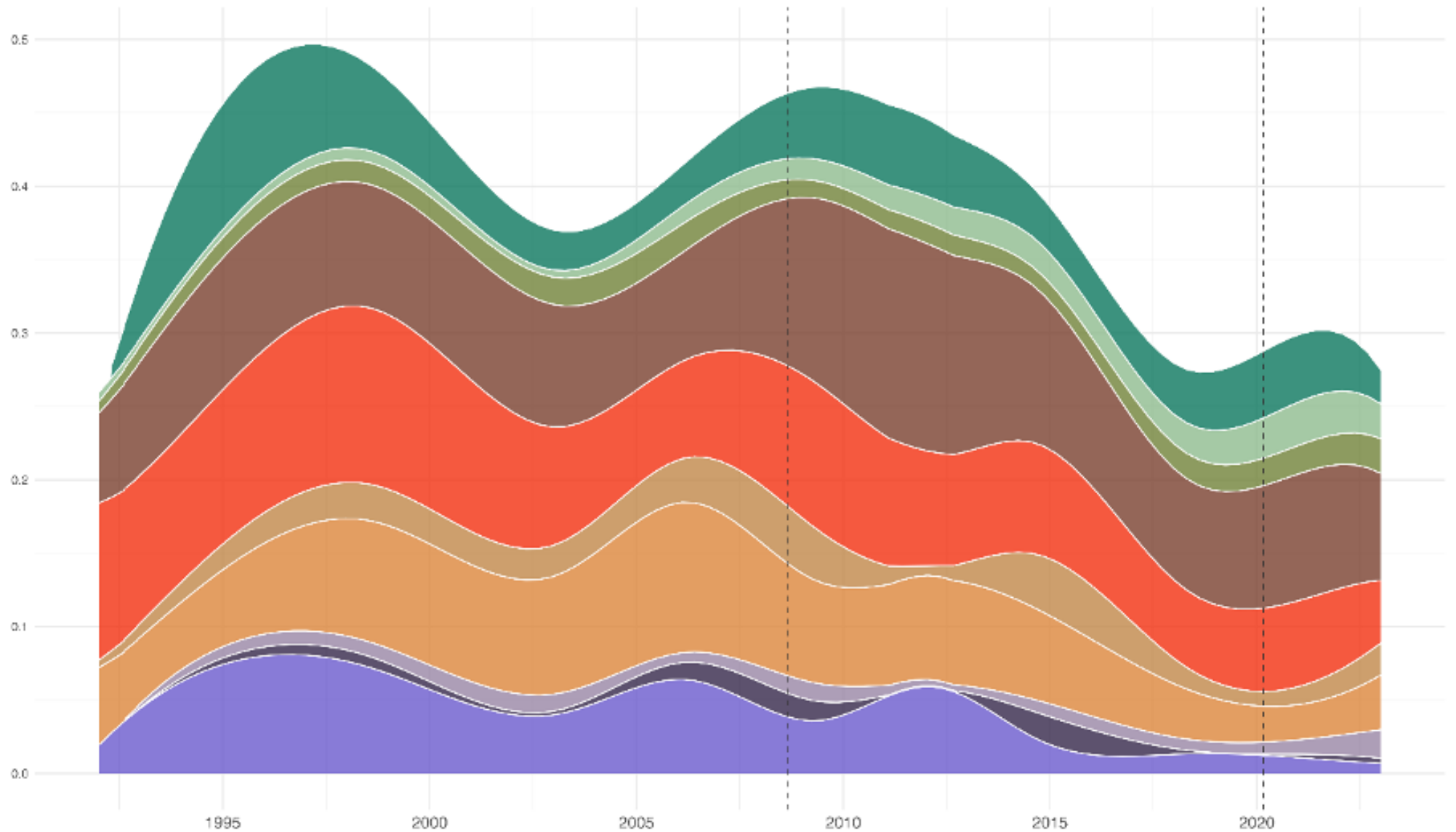| Narratives	Story	Shared group belief
Dreamers & Ideologists	Wealth taxation is a purely ideological project and an irrational dream of leftist movements, politicians and trade unions with no sound basis in economic reasoning	Economic policy-making should be value free, only driven by objective facts and (supposedly) neutral economic reasoning
Feasibility	Implementing wealth taxes leads to unreasonably high (bureaucratic) costs and negative consequences for individuals, businesses and governments	State intervention should only be implemented if benefits outweigh costs

Most prevalent Narratives

Narratives	Story	Shared group belief
Marketeers	Wealth taxation is inherently inefficient as it disrupts the market mechanism and thus leads to economic losses and macroeconomic harm	The market mechanism is the most efficient and fair coordination process of societies and thus superior to state intervention.
A Fair Policy	Wealth taxation increases equality and social justice as it tackles the unfair distribution of wealth between the rich and the poor	The social order and moral foundation of society are distorted and need to be restored by public policies

News coverage of **wealth based taxation**

The impact of individual narratives relative to each other from 1992-2022

Legend:
- A fair policy
- Data proven necessity
- System Change
- Dreamers & Ideologists
- Feasibility
- Keeping it in the family
- Marketeers
- It's the law, stupid!
- Double standards in tax law
- Political bargaining

Significant bias in reporting, with anti-wealth tax narratives dominating the discourse
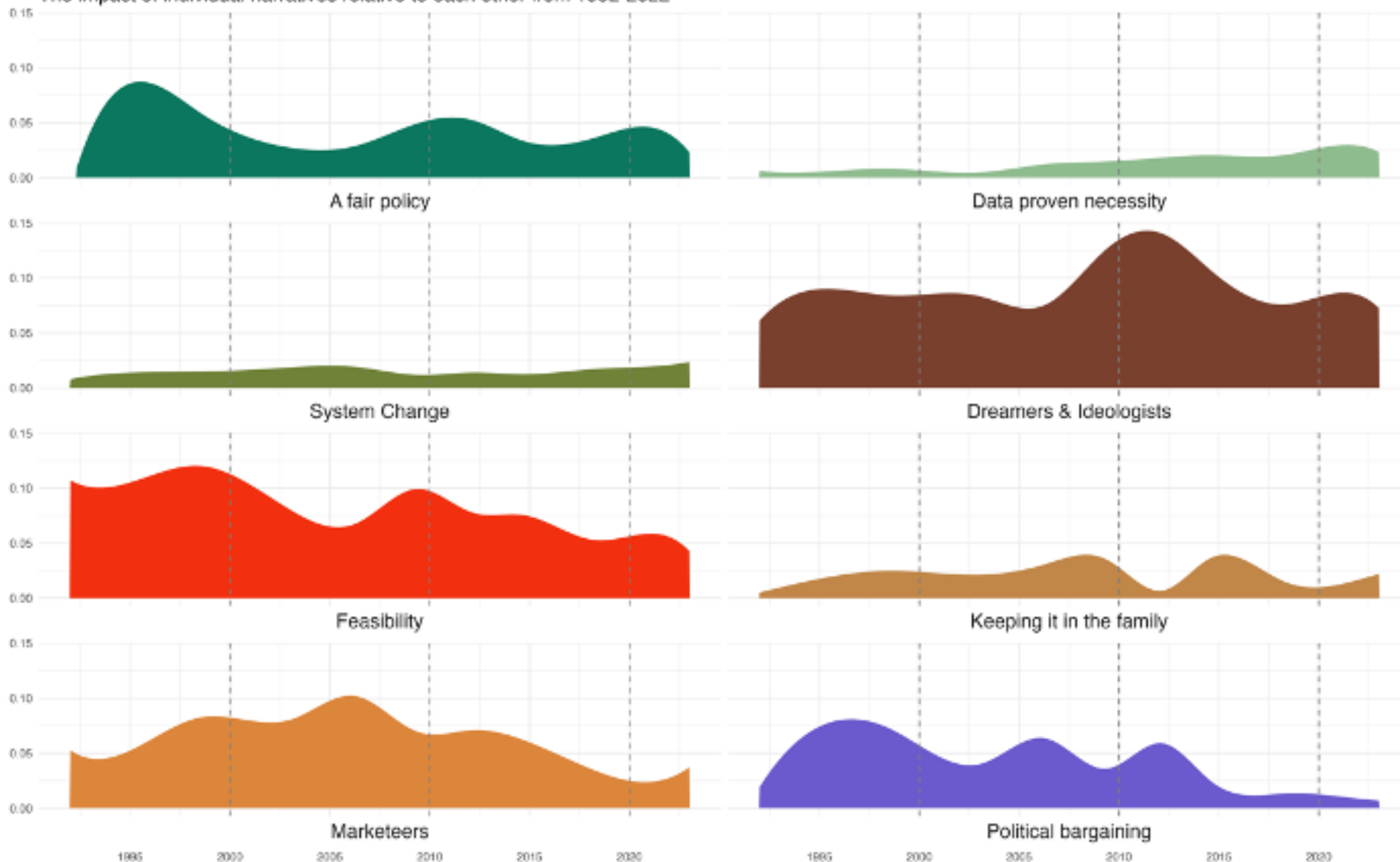
Data: DNIE - Calculations based on 21 174 newspaper articles. green = progressive; red = economic liberalism; purple = neutral. Plot: @MagdalenaMaad

After 1990ies no considerable pro WT stances

Marketeers looses significant imporatnce from GFC onwards fading market confidence ⇒

Recent years Dreamers and Ideologists most relevant Narrative, warning against the idological project of the left

News coverage of **wealth based taxation**
The impact of individual narratives relative to each other from 1992-2022

A fair policy

System Change

Feasibility

Marketeers

Data proven necessity

Dreamers & Ideologists

Keeping it in the family

Political bargaining

Data: DNIE - Calculations based on 21 174 newspaper articles. green = progressive; red = economic liberalism; purple = neutral. Plot: @MagdalenaMaad

Wealth taxation narratives across countries and newspapers

- Austria: Der Standard and Die Presse reveals minimal differences in coverage of WT
- Germany: Pro WT narrative most important across country comparison
- Swiss: Political Bargaining not covered

Conclusio

- Economically liberal narratives regarding wealth taxation prevail

- Accusations of ideology and doubt of feasibility represent the dominant narrative in newspaper reporting

- State skepticism is a recurring theme in most anti-wealthtax narratives

- Suggested actions do not go further than: "not more taxes…"

Discussion

- How can we explain the absence of a nuanced discussion on wealth taxation in media?

- Why are left leaing policies facing the accusation of being ideologically driven and libral/right-wing counterparts not?

- What are the implications for policy-makers changing the conversation around wealth taxes?

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