

Economics of Sports: Economics 229

Associate Professor: Victor A. Matheson

Lectures: 1:00 - 1:50 MWF Room: Stein 208
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Required Text: Michael Leeds and Peter von Allmen, The Economics of Sports 3rd ed., New York: Addison Wesley, 2008.

Required Text: Michael Lewis, Moneyball: The Art of Winning an Unfair Game, New York: W.W. Norton, 2003.

Required Text: Victor Matheson and Anthony Becker, The Sports Law Casebook: Milestones in the Economic Regulation of Sports, available for download at class website.

Required Readings: Additional readings will be made available throughout the semester via E-Res. The password for the course is "Econ229."

Suggested Watching: Paul Newman and George Roy Hill, Slapshot, Universal Studios, 1977.

Class Objectives: This course will allow students to develop an understanding of many fields of economics that relate to sports including labor economics, industrial organization and anti-trust, game theory, public finance, and urban economics. Particular attention will be paid to current day, real-world applications of economics in the sporting world. The scheduled syllabus may be adjusted to accommodate any special interests of the students in class.

Grading: The required work for this class and the approximate weights in the final grade are as follows: 6-7 homework assignments and various in-class quizzes, 30%; midterm exam, 20%; research paper, 20%; cumulative final exam, 30%. Final grades will be based upon 90%, A; 80%, B; 70%, C; with a curve or other adjustments if necessary. Collaboration is permitted and encouraged on homework; however, each student must submit an independently written assignment. Students are expected to abide by the Honor Code as described below. Late assignments are strongly discouraged. (You had better have a note from your priest, your doctor, or Kevin Garnett.) On the other hand, late is better than never. Finally, as economics is the study of the allocation of scarce resources, you must decide how to allocate the scarce resource of your time, and therefore attendance is not required. The opportunity cost of missing a class is an increased probability of a lower grade and the lost chance to hear me give yet another stirring lecture on sports economics. Furthermore, the class will have frequent short quizzes that will count towards your final grade, and these will be administered at random during class periods.

Honor Code: Scholastic dishonesty is broadly defined as any act by a student that misrepresents the student's own academic work or that compromises the academic work of another. Examples include (but are not limited to) receiving or giving help on exams, plagiarizing (misrepresenting as one's own anything done by another), unauthorized collaboration on assignments or exams, or sabotaging another student's work. The penalty for scholastic dishonesty in this course will be the failure (grade of zero) on the entire assignment or exam.

Syllabus: Page 2

Calendar of Events: Economics 229

	<u>Day</u>	<u>Date</u>	<u>Topic, Chapters</u>	<u>Relevant Information</u>
Week 1	Wednesday	January 14	Introduction to Sports Economics	LvA, 1; Syllabus handed out
	Friday	January 16	Review of Economics Principles	LvA, 2; HW #1,2 handed out
	Monday	January 19	No Class. MLK Day.	
Week 2	Wednesday	January 21	Review of Economics Principles	LvA, 2 and appendix
	Friday	January 23	Sports and Profits - Goals of owners	LvA, 3
	Monday	January 26	Sports and Profits - Goals of owners	LvA, 3; In-class assignment, HW#1 due
Week 3	Wednesday	January 28	Sports and Profits - Revenues	LvA, 3
	Friday	January 30	Sports and Profits - Maximization	LvA, 3
	Monday	February 2	Sports and Profits - Franchises	LvA, 3
Week 4	Wednesday	February 4	Sports and Profits - Maximization	LvA, 3
	Friday	February 6	Competitive Balance	LvA, 5; HW #2 due
	Monday	February 9	Competitive Balance	LvA, 5; HW #3, #4 handed out
Week 5	Wednesday	February 11	Monopoly and Antitrust	LvA, 4; Ann. Bib., Research paper handed out
	Friday	February 13	Overview of Legal Issues	SLC, 249-251, Federal Baseball, Toolson
	Monday	February 16	Monopoly and Antitrust - Baseball	SLC, Radovich, Flood
Week 6	Wednesday	February 18	Monopoly and Antitrust - Baseball	SLC, Flood, Piazza
	Friday	February 20	Monopoly and Antitrust - Leagues	SLC, AFL v. NFL, NFL v. NASL; HW #3 due
	Monday	February 23	Monopoly and Antitrust - Labor	SLC, Fraser v. MLS
Week 7	Wednesday	February 25	Catch-up day and review for midterm	
	Friday	February 27	Midterm Exam	Covers chapters 1-5; Annotated Bib, part 1 due
		S P R I N G B R E A K!!!!		Road trips and other rejoicing
Week 8	Monday	March 9	Review of Midterm Exam	LvA, 8; HW #5, #6 handed out
	Wednesday	March 11	Sports Labor Markets - Discounting	LvA, 8 (Appendix A and B)
	Friday	March 13	Moneyball	Moneyball paper (HW #4) due
Week 9	Monday	March 16	Sports Labor Markets	SLC, Haywood
	Wednesday	March 18	Labor Unions and Labor Relations	LvA, 9
	Friday	March 20	Labor Unions and Labor Relations	SLC, McNeill v. NFL, Wood v. NBA
Week 10	Monday	March 23	NCAA	LvA, 11; HW #5 due
	Wednesday	March 25	NCAA	SLC, NCAA v. Oklahoma
	Friday	March 27	Tournament Design	LvA, 9
Week 11	Monday	March 30	Discrimination	In-class assignment, HW #6 due
	Wednesday	April 1	Discrimination	LvA, 10
	Friday	April 3	Discrimination by Race	SLC, Dawson, Daniel v. Paul
Week 12	Monday	April 6	Discrimination by Race	
	Wednesday	April 8	Discrimination by Gender/Title IX	SLC, Grove City
	Friday	April 10	No class. Easter Break	
Week 13	Monday	April 13	No class. Easter Break	
	Wednesday	April 15	Discrimination by Gender/Title IX	SLC, Cohen
	Friday	April 17	Discrimination by Disability	SLC, Martin v. PGA
Week 14	Monday	April 20	Public Finance of Sports	LvA, 6, Research paper due
	Wednesday	April 22	Public Finance of Sports	LvA, 6
	Friday	April 24	Costs and Benefits of Franchises	LvA, 7, Extra readings
	Monday	April 27	Costs and Benefits of Franchises	Annotated Bibliography part 2 due
		Final Exam, TBD	Final Exam is cumulative	

LvA = "Economics of Sports," Leeds and von Allmen (Syllabus lists the chapter that should be read.)

SLC = "The Sports Law Casebook," Matheson and Becker (Syllabus lists the law case that should be read.)

Students are expected to have read the appropriate chapters before class on each day. The calendar is tentative and subject to change depending on how things are going in class.