

Sports Economics
Econ 3700-001 Summer 2015

Meeting Time and Location: T&H 9:00am - 12:00pm in OSH202

Instructor: Komson “Off” Chanprapan

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Office: OSH209 T&H 12:00pm-13:00pm

Course Description and Objectives: This is an economics class, not a sport class. Students are expected to understand basic microeconomic theories and be able to apply them to sport industry. Professional team sports, mainly in the US, will be discussed as case studies for each topic covered. Example of topics planed to cover in this course are ticket pricings, economic impact of Soccer World Cup, measuring performance, conflict between team owners and players, discrimination in sport league, etc. Students should be able to explain sport decisions by using economic thinkings at the end of this course.

Prerequisites: ECON2010.

Credits: 3 semester credit hours

Textbook: There is no required textbook for this class. Reading will be provided on Canvas.

Assignments and Exams:

Individual Paper	20%
Presentation	20%
Class discussion	20%
Final Exam (6/23 @ 9am - 12pm)	40%

Grading:

A	>90
A-	86-90
B+	81-85
B	76-80
B-	71-75
C+	66-70
C	61-65
C-	56-60
D+	51-55
E	<50

And/or by curving (I will decide which one will be the best for majority).

Policy: *No make-up exam will be given*, regardless of reason, except when required under University regulations. I will only give a makeup exam if:

1. You are very ill and have to be under a physicians care for this condition. Supply of a note from your physician has to be provided.
2. An immediate family member is very ill or has an emergency situation and you have a good reason why this prevents you from attending the exam. I will be the judge of whether your reason is good enough

Class Schedule:

5/19 Introduction

- Gratton, C. and Taylor, P. (2000). “The Economic Importance of Sport”, Economics of Sport and Recreation: An Economic Analysis, chapter 2. Routledge, second edition.
- Foer, F. (2004). “How Soccer Explains Islam’s Hope”, How Soccer Explains the World, chapter 9. Harper Collins, New York, NY.

5/21 Demand, Supply and Perfect Competitive Market

- Gratton, C. and Taylor, P. (2000). “The Demand for Sport”, Economics of Sport and Recreation: An Economic Analysis, chapter 4. Routledge, second edition.
- Bradbury, J. C. (2008). “Accident Happen...but More So in the American League”, The Baseball Economics The Real Game Exposed, chapter 1. A Plume Book.
- Ehrenberg, R. G. and Bognanno, M. L. (1990). The Incentive Effects of Tournaments Revised: Evidence from the European PGA Tour. *Industrial & Labor Relations Review*, 43(3), 74S-88S.
- Janrenaud, C. (2006). Sponsorship. in “Handbook on the Economics of Sport”. Wladimir, A. and Stefan, S. (ed.), Edward Elgar, MA.
- Fort, R. (2012) Major League Baseball is Just Like McDonal’s? Lesson from Unrecognized Rival Leagues. in “The Oxford Handbook of Sports Economics Volume 2: Economics Through Sports” Shmanske, S. and Kahane, L. H. (ed.), Oxford University Press, NY.

5/26 Monopoly/Oligopoly

- Holmgren, M. A. (2010). “The Market for Ski Report Season Passes”, Three Essays Identifying Consumer Behavior by Groups, chapter 3. PhD thesis, Washington State University.
- Zirin, D. (2005). “We Just Really Hate to Lose: Unions and Sports”, What’s My Name, Fool?, chapter 5. Haymarket Books, Chicago, IL.
- Tollison, R. D. (2012) To Be or Not to Be The NCAA as a Cartel. in “The Oxford Handbook of Sports Economics Volume 1: The Economics of Sports” Shmanske, S. and Kahane, L. H. (ed.), Oxford University Press, NY.

5/28 Monopsony/Oligopsony

- Rottenberg, S. (1956). The Baseball Players Labor Market. *The Journal of Political Economy*, 64(3):242-258.
- Scully, G. W. (1974). Pay and Performance in Major League Baseball. *The American Economics Review*, 64(6):915-930.
- Krautmann, A. C., Gustafson, E. and Hadley, L. (2000) Who Pays for Minor League Training Costs? *Contemporary Economic Policy*, 18(1): 37-47.
- Krautmann, A. C., von Allmen, P. and Berri, D. (2009) The Underpayment of Restricted Players in North American Sports Leagues. *International Journal of Sport Finance*, 4: 161-175.

6/2 Competitive Balance

- Schmidt, M. B. and Berri, D. J. (2001). Competitive Balance and Attendance: The Case of Major League Baseball. *Journal of Sports Economics*, 2(2):145-167.
- Forrest, D. and Simmons, R. (2002). Outcome Uncertainty and Attendance Demand in Sport: The Case of English Soccer. *The Statistician*, 51(2):229-241.
- Szymanski, S. and Késenne, S. (2004). Competitive Balance and Gate Revenue Sharing in Team Sports. *The Journal of Industrial Economics*, 52(1):165-177.
- Berri, D. J., Schmidt, M. B., and Brook, S. L. (2007). “Baseball’s Competitive Balance Problem?”, *The Wages of Wins*, chapter 4. Stanford Business Books.
- Berri, D. J., Schmidt, M. B., and Brook, S. L. (2007). “The NBA’s Compet-

itive Balance Problem?”, *The Wages of Wins*, chapter 5. Stanford Business Books.

6/4 Statistics and Sport

- Lewis, M. (2004). *Moneyball*. W. W. Norton & Company, New York, NY.
- Berri, D. J., Schmidt, M. B., and Brook, S. L. (2007). “Shaq and Kobe”, *The Wages of Wins*, chapter 6. Stanford Business Books.
- Bradbury, J. C. (2008). “Scouts vs. Stat-Heads”, *The Baseball Economics The Real Game Exposed*, chapter 11. A Plume Book.
- Kuper, S. and Szymanski, S. (2014). “Gentlemen Prefer Blonds: How to Avoid Silly Mistakes in the Transfer Market”, *Soccernomics*, chapter 2. Nation Books, New York, NY, 3rd edition.

6/9 Game Theory

- Walker, M., & Wooders, J. (2001). Minimax play at Wimbledon. *American Economic Review*, 1521-1538.
- Chiappori, P. A., Levitt, S., & Groseclose, T. (2002). Testing mixed-strategy equilibria when players are heterogeneous: The case of penalty kicks in soccer. *American Economic Review*, 1138-1151.
- Bradbury, J. C. (2008). “Lobbying for Balls and Strikes”, *The Baseball Economics The Real Game Exposed*, chapter 4. A Plume Book.
- Bradbury, J. C. (2008). “The Steroids Games”, *The Baseball Economics The Real Game Exposed*, chapter 9. A Plume Book.
- Kovash, K. and Levitt, S. D. (2009). Professional Do Not Play Minimax: Evidence from Major League Baseball and the National Football League. Working Paper 15347, National Bureau of Economic Research, Cambridge, MA.

6/11 Discrimination

- Kuper, S. and Szymanski, S. (2014). “Need Not Apply: Does English Soccer Discriminate Against Black People?”, *Soccernomics*, chapter 6. Nation Books, New York, NY, 3rd edition.
- Zirin, D. (2005). “Jackie Robinson and the Politics of Stealing Home”, *What’s My Name, Fool?*, chapter 2. Haymarket Books, Chicago, IL.

- Zirin, D. (2005). “Taking Care of T-C-B: Sports, Sexism, and Gay Bashing”, *What’s My Name, Fool?*, chapter 8. Haymarket Books, Chicago, IL.
- Zimbalist, A. (2012). Gender Equality in Intercollegiate Athletics. in “The Oxford Handbook of Sports Economics Volume 1: The Economics of Sports” Shmanske, S. and Kahane, L. H. (ed.), Oxford University Press, NY.

6/16 Public Finance

- von Allmen, P. (2012). Multiplier Effects and Local Economic Impact. in “The Oxford Handbook of Sports Economics Volume 2: Economics Through Sports” Shmanske, S. and Kahane, L. H. (ed.), Oxford University Press, NY.
- Gratton, C. and Taylor, P. (2000). “Government and Sport”, *Economics of Sport and Recreation: An Economic Analysis*, chapter 6. Routledge, second edition.
- Gratton, C. and Taylor, P. (2000). “Major Sports Events”, *Economics of Sport and Recreation: An Economic Analysis*, chapter 10. Routledge, second edition.
- Simmons, R. and Deutscher, C. (2012). The Economics of the World Cup. in “The Oxford Handbook of Sports Economics Volume 1: The Economics of Sports” Shmanske, S. and Kahane, L. H. (ed.), Oxford University Press, NY.
- Matheson, V. A. (2012) Economics of the Super Bowl. in “The Oxford Handbook of Sports Economics Volume 1: The Economics of Sports” Shmanske, S. and Kahane, L. H. (ed.), Oxford University Press, NY.
- Kuper, S. and Szymanski, S. (2014). “Happiness: Why Hosting a World Cup Is Good for You”, *Soccernomics*, chapter 15. Nation Books, New York, NY, 3rd edition.

6/18 Other Topics

6/23 Final Exam

- Cumulative, closed-book exam.