

ECON 2447 Sports Economics

Instructor reserves the privilege of modifying details as course develops

Syllabus – Spring Term 2023

Course and Instructor Information

Course Title: Sports Economics (ECON 2447) Credits: 3 Prerequisites: ECON 1200 or 1201

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Course Outline

- 1. The Basics of Sports Economics
- 2. The Organization of Professional Sports
- 3. The Market for Labor in Professional Sports
- 4. Sports and Government

Course Materials

Required Textbook: Sports Economics, David Berri, Worth Publishers, 2018, ISBN10: 1-319-28221-0

Available at UConn Bookstore, and online:

https://store.macmillanlearning.com/us/product/Sports-Economics/p/1319282210

Required Viewing of 5 Movies. Depending on your streaming service estimate \$6 each. Also some are free and there are links on the website. These are the movies and due dates to complete a quiz on the movie:

Course Description

This course applies concepts from principles of microeconomics to the analysis of the business of college and professional sports. Topics covered include: the NCAA & price controls; competitive balance and revenue sharing; sports franchises as profit-maximizing firms & ticket pricing; the impact of sports franchises on local economies; antitrust issues, collective bargaining, the determinants of player salaries, monopsony & monopoly; and discrimination.

Course Objectives

By the end of the semester, students should be able to:

- Use a graph to explain pricing strategies for maximizing revenues and for maximizing profits.
- Use a graph to explain optimal pricing for monopoly, monopsony, bilateral monopoly, and cartels.
- Use a graph to the price controls on compensation to student-athletes.
- Use a graph to explain the three types of discrimination for pricing of event tickets
- Describe the role of antitrust policy in sports leagues: college and professional.
- Define the concept of competitive balance, explain and empirically calculate the different measures of competitive balance for the MLB, the NBA, and college conferences
- Analyze the costs and benefits of public financing of sports stadiums.
- Describe the theoretical causes and consequences of monopsony power, and use simple graphical models explain labor market dynamics.
- Define and empirically measure the marginal product of players.
- Describe the types, sources, and consequences of labor market discrimination.
- Assess evidence for and against labor market discrimination in professional sports.

Course Requirements and Grading

NOTE: The specific requirements are subject to change. The below is my best guess as to what the specifics will be. However, I may determine closer to the start of the course that a change might be best, though I do not expect to do so, and if a change is made I expect it will be relatively minor.

ACTIVITIES	Points for Each	Total Possible Points
10 Homework Exercises	20,000	200,000
1 React Video(5 mins) & 1 Essay (600 words)		200,000
10 Movie Quizzes	20,000	200,000
MidTerm Exam		180,000
Final Exam		360,000
Complete Poll Ranking React Videos	10,000	40,000
Bonus Points		
TERM TOTAL		1,000,000

10 Homework Exercises

The exercises apply fundamental tools taught in principles of economic analysis to the analysis of issues in sports economics. Each exercise culminates in a quiz.

10 Movie/Interview Quizzes

For each module a movie or taped interview is assigned, followed by a timed 20 minute 5 multiple choice question quiz.

4 React Modules: You are assigned to one of the four React Modules

There are many hotly debated issues in sports. Four examples have been picked for this course. There is no right answer, it is a matter for debate. In this assignment you WILL BE ASSIGNED a topic and an interest group. You are asked to develop an opinion for that interest group, and then defend it to the best of your ability.

REACT MODULE #1: UConn 2020-21 DEFICIT -- Should the University reduce expenditures on the D1 Football program to be consistent with the University mission of balancing academics and athletics?

Universities across the country are strapped for funds, Uconn is no exception. University Presidents' face the hard choice of where to cut. Should it be academics, D1 football and basketball? Non-revenue generating sports? Some combination of the above? *For this module we will look at the example of the UConn in August 2020 as their President faced this issue.*

REACT MODULE #2: Is Uconn women's basketball dominance bad for the sport? Should there be changes to improve competitive balance?

In some sports a team or a few teams consistently dominate all other teams. UConn women's basketball is one, though the last two seasons are a question mark, San Francisco Warriors, New England Patriots, New York Yankees, are other examples. In sports economics this is the question of competitive balance. Why do the Power 5 Conference teams always dominate college football? Why do the wealthy cities always dominate professional baseball? What is the appropriate balance? How is it to be achieved? Is dominance bad for the sport? Is dominance good for the sport? When there is persistent imbalance should the rules be adjusted to level the playing field? Should the dominant team be put under intense investigation for rules infractions? For this module we will look at the example of the University of Connecticut's Women's Basketball team in 2016 just coming off 4 consecutive final four victories.

REACT MODULE #3: Should the 2015 Northwestern football players be allowed to unionize?

In college sports, arguably, no issue is more hotly debated than whether athletes in D1 revenue generating sports should be paid. The NCAA is a monopsony, it operates in this way to preserve the "amateurism" of the college sports that is the bedrock of marketing D1 football and basketball for the universities in the Power 5 Conferences. Professional sports are organized where the team owners are management (a monopsony) and they bargain with the players, who are organized in a players union (a monopoly). Economists model this as a bilateral monopoly market. College sports on the other hand are organized where the NCAA represents management (monopsony) and players are prohibited from organizing, and hence cannot bargain over pay for play. Is the economics of this model sustainable? The Rice report issued April 30 2018 raises this issue. *For this module we will look at the example of the Northwestern University 2015 Football team and its effort to unionize*

REACT MODULE #4: Should UConn increase the proportion of its athletic spending on women's sport teams?

#MeToo, The Gender Pay Gap, all are examples of our increasing awareness of the differential treatment of the two genders in America. 1972 saw the enactment of Title IX. Forty six years later we are debating whether the levels of spending in college sports on men's and women's teams is consistent with the requirements of Title IX, and what should be done about the differential. *For this module we will look at the example of the University of Connecticut's spending on women's sports.*

These are the topics, read on for more details of assignments.....

One React Essay and One Video

The purpose of this activity is to engage the class in thinking, talking and writing about the course readings, videos, and lectures. This is an activity where each student will choose one topic, representing an interest group in the community. On the topic of your choice, you will submit one 600+/- word statement of position to the governing board, and then summarize the position in a 5 minute highlight video presentation (for example voice over of a powerpoint slide deck highlighting the main points of the essay). We have 4 React modules, you will be assigned one topic to make a presentation and in the other three modules you will participate by voting on presentations.

Poll to Rank Essays and Videos in each React Module

This is a participation assignment, Each student will complete a poll that asks for your vote on the question of the React Module, indicating the reasons for your vote and ranking of the videos (excluding your own) submitted for the React Module.

Final Exam

The final is 40-50 multiple choice questions in 60 minutes.

Bonus Points

For distinction on the React video. For contributions to the operation of the course.

Point	Range	Grade	Letter Grade	GPA
930,000	1,000,000	93-100	А	4
900,000	929,999	90-92	A-	3.7
870,000	899,999	87-89	B+	3.3
830,000	869,999	83-86	В	3
800,000	829,999	80-82	В-	2.7
770,000	799,999	77-79	C+	2.3
730,000	769,999	73-76	С	2
700,000	729,999	70-72	C-	1.7
670,000	699,999	67-69	D+	1.3
630,000	669,999	63-66	D	1
600,000	629,999	60-62	D-	0.7
0	599,999	<60	F	0

Grading Scale:

Due Dates and Late Policy

You are expected to be conscientious about deadlines for assignment activities. Much thought and care has gone into the design of the assignments and their due dates. For the course to proceed as designed it is essential that these deadlines be observed.

Late assignments

The penalty for late submission of an assignment is 15% of the total possible points for the assignment

Missed Deadlines

Assignments must be submitted on time, except in case of documented emergency or scheduling conflict. If you have a scheduling conflict, please inform me ASAP <u>before</u> the event and the assignment deadline may be extended. If you can document an emergency that has prevented you from timely submission of these activities the deadline may be extended. Computer problems by themselves do not constitute a documentable emergency unless you can provide evidence, for example from the HuskyCT support team, that you made a diligent effort to complete the activity during its availability but were prevented by computer issues.

Student Responsibilities and Resources

As a member of the University of Connecticut student community, you are held to certain standards and academic policies. In addition, there are numerous resources available to help you succeed in your academic work. This section provides a brief overview to important standards, policies and resources.

Student Code

You are responsible for acting in accordance with the <u>University of Connecticut's Student Code</u> Review and become familiar with these expectations. In particular, make sure you have read the section that applies to you on Academic Integrity:

- Academic Integrity in Undergraduate Education and Research
- Academic Integrity in Graduate Education and Research

Cheating and plagiarism are taken very seriously at the University of Connecticut. As a student, it is your responsibility to avoid plagiarism. If you need more information about the subject of plagiarism, use the following resources:

- Plagiarism: How to Recognize it and How to Avoid It
- <u>University of Connecticut Libraries' Student Instruction</u> (includes research, citing and writing resources)

Copyright

Copyrighted materials within the course are only for the use of students enrolled in the course for purposes associated with this course and may not be retained or further disseminated.

Netiquette and Communication

At all times, course communication with fellow students and the instructor are to be professional and courteous. It is expected that you proofread all your written communication, including discussion posts, assignment submissions, and mail messages. If you are new to online learning or need a netiquette refresher, please look at this guide titled, <u>The Core Rules of Netiquette</u>.

Adding or Dropping a Course

If you should decide to add or drop a course, there are official procedures to follow:

- Matriculated students should add or drop a course through the <u>Student Administration System</u>.
- Non-degree students should refer to Non-Degree Add/Drop Information located on the registrar's website.

You must officially drop a course to avoid receiving an "F" on your permanent transcript. Simply discontinuing class or informing the instructor you want to drop does not constitute an official drop of the course. For more information, refer to the:

- <u>Undergraduate Catalog</u>
- <u>Graduate Catalog</u>

Academic Calendar

The University's Academic Calendar contains important semester dates.

Academic Support Resources

Technology and Academic Help provides a guide to technical and academic assistance.

Students with Disabilities

Students needing special accommodations should work with the University's <u>Center for Students with Disabilities</u> (<u>CSD</u>). You may contact CSD by calling (860) 486-2020 or by emailing csd@uconn.edu. If your request for accommodation is approved, CSD will send an accommodation letter directly to your instructor(s) so that special arrangements can be made. (Note: Student requests for accommodation must be filed each semester.)

Blackboard measures and evaluates accessibility using two sets of standards: the WCAG 2.0 standards issued by the World Wide Web Consortium (W3C) and Section 508 of the Rehabilitation Act issued in the United States federal government." (Retrieved March 24, 2013 from Blackboard's website)

Policy against Discrimination, Harassment and Inappropriate Romantic Relationships

The University is committed to maintaining an environment free of discrimination or discriminatory harassment directed toward any person or group within its community – students, employees, or visitors. Academic and professional excellence can flourish only when each member of our community is assured an atmosphere of mutual respect. All members of the University community are responsible for the maintenance of an academic and work environment in which people are free to learn and work without fear of discrimination or discriminatory harassment. In addition, inappropriate Romantic relationships can undermine the University's mission when those in positions of authority abuse or appear to abuse their authority. To that end, and in accordance with federal and state law, the University prohibits discrimination and discriminatory harassment, as well as inappropriate Romantic relationships, and such behavior will be met with appropriate disciplinary action, up to and including dismissal from the University. Refer to the <u>Policy against Discrimination</u>, <u>Harassment and Inappropriate Romantic Relationships</u> for more information.

Sexual Assault Reporting Policy

To protect the campus community, all non-confidential University employees (including faculty) are required to report assaults they witness or are told about to the <u>Office of Diversity & Equity</u> under the <u>Sexual Assault Response</u> <u>Policy</u>. The University takes all reports with the utmost seriousness. Please be aware that while the information you provide will remain private, it will not be confidential and will be shared with University officials who can help. Refer to the <u>Sexual Assault Reporting Policy</u> for more information.

Software Requirements and Technical Help

- Word processing software, Excel
- Adobe Acrobat Reader
- Internet access

The component of the course is facilitated using the learning management platform, HuskyCT. If you have

difficulty accessing HuskyCT, students have access to the in person/live person support options available during regular business hours through <u>HuskyTech</u>. Students also have 24x7 Course Support including access to live chat, phone, and support documents.

Minimum Technical Skills

To be successful in this course, you will need the following technical skills:

- Use electronic mail with attachments.
- Save files in commonly used word processing program formats.
- Copy and paste text, graphics or hyperlinks.
- Work within two or more browser windows simultaneously.
- Open and access PDF files.
- Patience, persistence

University students are expected to demonstrate competency in Computer Technology. Explore the <u>Computer</u> <u>Technology Competencies</u> page for more information.