

UNIVERSITY OF NORTH CAROLINA
DEPARTMENT OF ECONOMICS
ECON 055H: ECONOMICS OF SPORTS (Honors)
FALL 2020

MWF from 10:40 PM – 11:30AM in Gerrard Hall, Rm. 116

Instructor: Rita A. Balaban **E-Mail:** balabanr@email.unc.edu
Office Hours: Tuesdays (11:00 AM – 12:00 PM), Wednesdays (4:00 PM – 5:00 PM), and Thursdays (9:00 AM – 10:00 AM)

Use this link for office hours: <https://unc.zoom.us/j/949953760> (Meeting ID 949-953-760)

Website: <http://sakai.unc.edu> This is the course website and you can access it by using your ONYEN. Please become familiar with Sakai. This is where you will find a detailed outline of what you are expected to do before/after each lecture. It also contains the official course gradebook, announcements, and other supplementary materials. It is your responsibility to frequently check Sakai to stay on top of course announcements and assignments. The course will appear as ECON55H.001.FA20 in Sakai.

Required Materials:

- All required readings are available on Sakai under Course Reserves.
- Computer with microphone and webcam.
- Zoom – You will need Zoom to join office hours. Zoom is freely available to you and you can sign up at unc.zoom.us.
- Basic calculator.

Recommended Reading/Listening:

- Rodney Fort's Sports Economics: <https://sites.google.com/site/rodswebpages/codes>
- John Vrooman – Sports Econ: <https://my.vanderbilt.edu/vrooman/sportseconomics/>
- Axios Sports - <https://www.axios.com/sports>
- D1.Ticker - <https://www.d1ticker.com/>
- The Gist: newsletter and podcast - <https://www.thegistsports.com/>
- Bloomberg Business of Sports podcast - https://www.bloomberg.com/podcasts/business_of_sports
- Just Women's Sports - <https://www.justwomenssports.com/>

Course Description: This course teaches you some basic economic principles by using examples from the world of sport and, in return, teaches you to understand, analyze and evaluate what is happening in the sports world through an economic lens. Through readings, videos, lectures, discussions, and personal experiences we will use the sports industry to learn about the economic way of thinking, competitive and noncompetitive market structures, labor markets, game theory, market failure, and public finance. A sample of some of the questions to be considered follow: What role should communities play in retaining or attracting teams? How much should professional athletes be paid? How do allocate labor to maximize team performance? The purpose of this course is to give you a basic understanding of core economic principles and teach you to analyze issues like an economist. This course meets the following General Education Requirements: Communications Intensive (CI) and Experiential Education – Mentored Research (EE)

When and How to Contact Me

- If you have a question about the course material:
 - Post these questions on our Piazza discussion board (piazza.com/unc/fall2020/econ055h).
 - Speak to me during my office hours.
 - If it's brief, then you can ask me before or after class.
- If you have a question about Class Policies or Grading:
 - Always check the syllabus and Sakai announcements first as 90% of course procedure questions are answered on Sakai.
 - If you cannot find the answer in the syllabus or the Sakai announcements, then please email me at balabanr@email.unc.edu.
 - You can expect to receive a response within 24-48 hours. If you do not hear from me after 48 hours, please check the email address you used. Emails sent to other email addresses will not be answered.
- If you have a sensitive or personal issue that you would like to discuss:
 - Feel free to setup an individual appointment with me at <http://calendly.com/balabanr> or send an email to balabanr@email.unc.edu.
 - If you use the proper email address, then you can expect to receive a response within 24-48 hours. Emails sent to other email addresses will not be answered.
- If you have a question about majoring in economics or careers in economics:
 - See the section on Sakai entitled "Interesting Links" as many of your questions may be answered there.
 - You can discuss career-related questions with me during office hours.
- A comment on email etiquette
 - Send all correspondences from your UNC email address and include your FULL (official) NAME and PID.
 - Briefly describe the issue in the subject line.
 - Use full sentences (i.e., not text language), and be concise.
 - Be polite and respectful.

Community Standards in Our Course and Mask Use: This fall semester, while we are in the midst of a global pandemic, all enrolled students are required to wear a mask covering your mouth and nose at all times in our classroom. This requirement is to protect our educational community — your classmates and me — as we learn together. If you choose not to wear a mask, or wear it improperly, I will ask you to leave immediately, and I will submit a report to the [Office of Student Conduct](#). At that point you will be disenrolled from this course for the protection of our educational community. An exemption to the mask wearing community standard will not typically be considered to be a reasonable accommodation. Individuals with a disability or health condition that prevents them from safely wearing a face mask must seek alternative accommodations through the [Accessibility Resources and Service](#). For additional information, see [Carolina Together](#).

University Approved Absences: Note that "University Approved Absences" refer to very specific situations as outlined in the University Catalog, in accordance with University policies (see <http://catalog.unc.edu/policies-procedures/attendance-grading-examination/>). As such, to be eligible for makeup work, a student must have the following:

- An absence which falls under the specific circumstances considered to be a "University Approved Absence." Specifically:
 - Authorized University activities with official notification from the organization (e.g. travel letter). Club activities are NOT eligible.
 - Disability/religious observance/pregnancy, as required by law and approved by Accessibility Resources and Service and/or the Equal Opportunity and Compliance Office (EOC)
 - Significant health condition and/or personal/family emergency as approved by the Office of the Dean of Students, Gender Violence Service Coordinators, and/or the Equal Opportunity and Compliance Office (EOC). Please note that this may also pertain to significant health conditions, such as COVID-19 or severe flu.
 - Invalid excuses are anything not listed explicitly as a University Approved Absence, including but not restricted to club activities/events, interviews (unless interviewer provides documentation that the date of the interview cannot be changed), travel and/or vacation plans, feeling unprepared, etc.
- Documentation which comes specifically from ARS, EOC, the Office of the Dean of Students, the Gender Violence Service Coordinators or the official organization (barring club sports) will be accepted. All other types of documentation cannot be used for University Approved Absences, and thus, makeup work cannot be given under these circumstances.
- Documentation must specify exactly which dates the student is to be excused for; thus, a beginning and end time must be made explicit.

It is the student's responsibility to email balabanr@email.unc.edu either before or during the week you return to let me know which assignment(s) you would like to make up. If you email well past the week you return, you will be unable to make up the missed work.

Course Components

- Discussion Forum Posts: Almost every week you will be required to make a post in the Sakai Discussion Forum and respond, evaluate or extend the analysis of at least 2 of your peers. This activity is designed to give you practice explaining and applying course concepts in writing. To prevent a logjam of last-minute posts, your original post/question must be completed 48 hours before the deadline. Detailed instructions and scheduled due dates are provided on pp. 7-8 of the syllabus.
- Research Paper: Research and writing are an integral part of this course. Each student will be required to write a research paper (10-15 pages) on some aspect of the sports economy. Each student is free to select their own topic and I am happy to discuss ideas with you if you are having troubles. Detailed instructions regarding the research paper guidelines can be found on p. 9 of the syllabus. The final paper is due on November 13th.
- Recorded presentation: each student will be required to do a recorded presentation of their research paper. Detailed instructions with the presentation guidelines will be provided later. The presentation is due on November 16th.

- 2 Peer Evaluations: Each student is required to watch and evaluate two other student presentations. A list of prompts will be provided on November 16th, and your evaluation will be due during our designated final exam time (TBD).

Late/Missed Work Policy

- Deadlines for all assignments are listed on the Schedule which is posted in Sakai. You are strongly urged to complete assignments well ahead of time to avoid any last-minute technical difficulties (e.g. internet issues).
- Late assignments are not accepted unless you have a University Approved Absence with one of the proper documentations described above.

Regrade Requests: If you feel that your work has been graded unfairly, you may submit it for a regrade. However, the regrade request must be submitted to balabanr@email.unc.edu within one week of when the assignment’s grade was posted. There are no exceptions to this rule. In order for your regrade request to be considered, if applicable, you must submit the original work with NO additional markings or changes along with a detailed description of what you believe was graded unfairly and why you think you deserve additional points. Please keep in mind that I reserve the right to regrade any and all parts of the work which is submitted for re-assessment, and your grade may increase, decrease, or stay the same as a result.

Attendance Policy: Regular attendance is strongly recommended. You are responsible for any announcements that you may have missed if you choose not to attend class. You should get the missed notes/announcements from one of your peers. You are allowed four absences – no questions asked. Your final grade will be lowered by 2 percentage points for each absence over the allowable four. In the case of extreme illness or family emergency please notify me and the Dean of Students as soon as possible.

Grading: I have carefully constructed the assignments in this course to maximize your learning. You are expected to work hard, actively participate, ask questions when you have any doubts, and perform to the very best of your ability.

The grading breakdown follows: (percentage of final grade)

Discussion Forum Posts	35%
Research Paper	40%
Presentation	15%
Peer Evaluations	10%

Grading Scale (as a percentage of total points)

A	= 93-100	C	= 73-76
A-	= 90-92	C-	= 70-72
B+	= 87-89	D+	= 67-69
B	= 83-86	D	= 60-66
B-	= 80-82	F	< 60
C+	= 77-79		

Generally, I do not curve final grades. However, if I feel that your preparation and in-class participation merits reward, then I will consider a 1- to 2-point curve of your final grade.

Accessibility Resources & Services: UNC-Chapel Hill facilitates the implementation of reasonable accommodations for students with learning disabilities, physical disabilities, mental health struggles, chronic medical conditions, temporary disability, or pregnancy complications, all of which can impair student success.

- All accommodations are coordinated through the Accessibility Resources and Service Office. In the first instance please visit their website <http://accessibility.unc.edu>, Tel: 919-962-8300 or Email: accessibility@unc.edu. A student is welcome to initiate the registration process at any time; however, the process can take time. ARS is particularly busy in the run-up to Finals and during Finals. Students submitting Self-ID forms at that time are unlikely to have accommodations set until the following semester. Please contact ARS as early in the semester as possible.

The Learning Center: The UNC Learning Center is a great resource both for students who are struggling in their courses and for those who want to be proactive and develop sound study practices to prevent falling behind. They offer individual consultations, peer tutoring, academic coaching, test prep programming, study skills workshops, and peer study groups. If you think you might benefit from their services, please visit them in SASB North or visit their website to set up an appointment: <http://learningcenter.unc.edu/>

The Writing Center: The Writing Center is located in the Student and Academic Services Building and offers personalized writing consultations as well as a variety of other resources. This could be a wonderful resource to help with your writing assignments in this course (and any assignments in your other courses). You do not need a complete draft of your assignment to visit; they can help you at any stage! You can chat with someone in the writing center or set up an appointment on their website: <http://writingcenter.unc.edu/>

Medical and Counseling Services: If you are having any physical, mental, or other personal problems that are interfering with your ability to focus on your coursework, please contact the UNC Campus Health Services (919-966-2281 or <https://campushealth.unc.edu/>) right away.

Diversity Statement: I value the perspectives of individuals from all backgrounds reflecting the diversity of our students. I broadly define diversity to include race, gender identity, national origin, ethnicity, religion, social class, age, sexual orientation, political background, and physical and learning ability. I strive to make this classroom an inclusive space for all students. Please let me know if there is anything I can do to improve, I appreciate suggestions.

Calendar and Reading List: You are expected to have all assigned readings completed before the material is presented. The entire chapter is to be read unless otherwise noted. Please expect to have additional readings throughout the semester.

I. **Thinking Like an Economist** (August 10th – September 4th)

- Chapters 1 and 2 from Szymanski, Stefan. Playbooks and Checkbooks: An Introduction to the Economics of Modern Sports, Princeton University Press, 2009.
- Pages 7-17 from Surdam, David G. The ball game biz: An introduction to the economics of professional team sports, Jefferson, N.C: McFarland & Co., 2010.
- Chapter 2 from OpenStax, Principles of Economics 2e. OpenStax CNX. Mar 13, 2019 <http://cnx.org/contents/bc498e1f-efe9-43a0-8dea-d3569ad09a82@7.1>.
- Edward M. Scahill (1990) Did Babe Ruth Have a Comparative Advantage as a Pitcher?, *The Journal of Economic Education*, 21:4, 402-410.
- Morrow, S., & Idle, C. (2008). The Challenges of Modernizing a Professional Sport: A Case Study of Professional Road Cycling. In S. Chadwick & D. Arthur (Eds.), *International Cases in the Business of Sport* (pp. 45–59). Boston: Elsevier.

II. **Strategic Interactions** (September 9th – September 18th)

- Pages 57-69 from Surdam, David G. The ball game biz: An introduction to the economics of professional team sports, Jefferson, N.C: McFarland & Co., 2010.
- Pages 78-82 from Surdam, David G. The ball game biz: An introduction to the economics of professional team sports, Jefferson, N.C: McFarland & Co., 2010.
- Haugen, K. K. (2004). The Performance-Enhancing Drug Game. *Journal of Sports Economics*, 5(1), 67–86.

III. **Evaluating the Impact of Sports on our Communities** (September 21st – October 2nd)

- Chapter 6 from Szymanski, Stefan. Playbooks and Checkbooks: An Introduction to the Economics of Modern Sports, Princeton University Press, 2009.
- Baumann, R. W., Matheson, V. A., & Muroi, C. (2009). Bowling in Hawaii: Examining the Effectiveness of Sports-Based Tourism Strategies. *Journal of Sports Economics*, 10(1), 107–123.
- Matheson, Victor A., and Robert A. Baade. (2004). "Mega-sporting events in developing nations: playing the way to prosperity?." *South African Journal of Economics* 72(5), 1085-1096.

IV. **Making sense of Prices and Wages Under Different Market Structures** (October 5th – November 16th)

- Chapters 3, 4, and 5 from Szymanski, Stefan. Playbooks and Checkbooks: An Introduction to the Economics of Modern Sports, Princeton University Press, 2009.
- Chapters 3, 4, 9, 14 from OpenStax, Principles of Economics 2e. OpenStax CNX. Mar 13, 2019 <http://cnx.org/contents/bc498e1f-efe9-43a0-8dea-d3569ad09a82@7.1>.
- Chapter 4, plus related tables at the end of the book from Quirk, James P, and Rodney D. Fort. Hard Ball: The Abuse of Power in Pro Team Sports. Princeton, N.J: Princeton University Press, 1999.
- Sanderson, Allen R. and John J. Siegfried. (2018). The National Collegiate Athletic Association Cartel: Why it Exists, How it Works, and What it Does. *Review of Industrial Organization* 52(2): 185-09.
- Whiteside, E. (2019). Transforming sporting spaces into male space: Considering sports media practices in an evolving sporting landscape. In *Routledge Handbook of the Business of Women's Sport* (pp. 480–491). Routledge.
- Branch, T. (2011). The shame of college sports. *The Atlantic*, 308(3), 80.
- Gladwell, M. (2010). Talent grab. *The New Yorker*, 86(31), 84.

Disclaimer: Although the instructor intends to follow this syllabus as closely as possible, there may be times when deviations from the material presented herein are necessary. Changes will be announced as early as possible so that students can adjust their schedule.

Discussion Forum Post Guidelines

The Sakai Discussion Forum (DF) platform will be used for online discussion about class topics. I want you to use this opportunity to be curious and ask BIG questions about how what we are studying relates to your personal experiences and the world of sports.

Writing quality questions and providing thoughtful responses in the DF will:

- Help you develop writing skills necessary for any career path.
- Reinforce the imperative skill of justifying thoughts and claims with credible evidence and then citing the evidence!
- Enhance critical thinking skills which are sought by employers
- Deepen your understanding of the course content by gaining diverse insights and perspectives from your peers

One of my main goals for using DF is to get you to talk about economics. Most of you will end up in a job that requires you to talk to clients, make recommendations, and explain the numbers you or a colleague generated in a report. Your participation on the DF platform will help you make strides toward being an effective communicator, one that can explain why you did what you did and how that relates to the bigger picture.

In addition, participation on DF will move you towards developing an interesting question for your research paper and help you interact with classmates that have similar or opposing views, the latter of which can improve your critical thinking skills and spillover into interesting in-class discussion.

Your participation in DF will count towards **35 percent of your final grade**.

To receive your weekly credit, you must post 1 question and respond, evaluate, or extend the analysis of at least 2 of your peers. You must complete all 3 components by the 11:55pm Wednesday night deadline to receive full credit. To prevent a logjam of last-minute posts, your question, which must be related to the course content, must be completed 48 hours before the deadline.

Here are the guidelines for an acceptable question:

- Ask open-ended questions that cannot be Googled. These questions do not have a single accepted “right” answer. Ask questions that will prompt your classmates to think about how what is being learned in class could be applied to solve real-world problems.
- Make it specific. The more specific your question is, then better the responses will be.
- As we progress through the semester, ask questions that make connections between two or more of our lectures.
- Pose a question that is original, i.e., different than one that has been posed.
- Finally, write a question whose response you think would be interesting to read.

Here are the guidelines for an acceptable response:

- Treat your response as a short essay (suggestion is 100+ words). Support your thesis with examples and data to help support your case and add context. You are always welcome to share your opinion but support your opinion with facts.
- Incorporate class content Show off what you’ve learned!
- Link to videos, images, and sources to add context. The DF uses a rich text editor so you can embed images, gifs, hyperlinks, right into your post. Remember, however, I will focus on content over bells and whistles. I want to see sound economic reasoning!

Deadlines for DF Posts:

	Your question should focus on course content covered b/w these dates:	Question Due by 11:55pm on:	Response Due by 11:55pm on:
Post #1	August 3 – August 14	August 17	August 19
Post #2	August 17 – August 21	August 24	August 26
Post #3	August 24 – August 28	August 31	September 2
Post #4	August 31 – September 4	September 7	September 9
Post #5	September 7 – September 11	September 14	September 16
Post #6	September 14 – September 18	September 21	September 23
Post #7	September 21 – September 25	September 28	September 30
Post #8	September 28 – October 2	October 5	October 7
Post #9	October 5 – October 9	October 12	October 14
Post #10	October 12 – October 16	October 19	October 21
Post #11	October 19 – October 23	October 26	October 28
Post #12	October 26 – October 30	November 2	November 4
Post #13	November 2 – November 6	November 9	November 11

Research Paper Guidelines:

The purpose of this paper is to give you an opportunity to delve more deeply into a specific area of Sports Economics. This exercise has the benefits of forcing you to pull together the ideas that you've been acquiring throughout the course, to express them in an organized manner and to gain experience in the use of economic analysis to address something that interests you.

Format Requirement:

The paper should be typed in 10- to 12-point font, double-spaced, and include 1-inch margins all around. It should be a maximum of 15 pages long excluding references, tables, figures, and graphs. The recommended minimum length is 10 pages. Include a separate cover page with your name, paper title, abstract, and a statement of the honor code. All pages after the title page should be numbered consecutively in the lower-right-hand corner.

Content:

In addition to the body of the paper, make sure that you address and/or include the following:

- Explicitly state what this paper is going to be about. What is your research question? Why should we (the readers) be interested in this topic? i.e. how is your topic related to economics?
- Review of the literature that is related to this topic and/or will be used to explore the topic.
- Analysis of your research question given the data and information you have collected. Which economic principles will be used to explore your problem and how will they be applied?
- The paper should end with your conclusions. This section should summarize your results and discuss any avenues that are open for further research.
- Include a list of references at the end of your paper. You will need to include at least 5 academic references not already covered in the course. A superior job will likely require many more. Try to get the most recent references possible that are relevant to your topic. While Sports Illustrated, the NY Times and other publications are relevant for social discussions, articles from peer-reviewed economic journals are more applicable. Use the APA format when citing your sources and writing your list of references.
- Include an abstract. An abstract is a concise description of your work and it should include the following: your motivation, a statement of your thesis, your approach (i.e. what economic tools did you employ?), your results, and conclusions. The abstract should be no more than 400 words. The abstract is always the last thing written.

Note:

In order for your paper to be a valued contribution you must go beyond a simple regurgitation of the literature that you've read. Even if your paper does not employ statistical methods, new data or fancy mathematical theory you can make a contribution by tying together other scholars' writing into a new synthesis. Your contribution is the molding of others' ideas into a new perspective that includes your own understanding of the issues in addition to those of the authors that you cite. Your essay then adds something that is greater than the sum of the articles and books that you've read. To achieve this you must spend enough time digesting and understanding the literature so that you can write an essay that is not simply an article-by-article replay of what other people have already written. This takes time and is very difficult to do if you try to do a rush job at the very end.

Your research paper counts toward **40 percent of your final grade**.

Due Date: 11:59pm on Friday, November 13th.

- A ten-point penalty will be applied for every day that your paper is late.