

**ECON 315 – Sports Economics
Fall 2017**

Professor: Dr. Mark Hoekstra

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Office Hours: Thursday 1:15 - 3:00 pm. Additional office hours will be held prior to exams. In addition, feel free to stop by anytime I am in my office, which is often. You are also welcome to make an appointment via email to ensure I will be able to meet with you at a certain time.

Class Website: eCampus, accessed at <http://ecampus.tamu.edu/>.

Class Meeting Times: Section 501: Tuesday/Thursday 9:55 – 11:10 (Allen 1002)

Section 502: Tuesday/Thursday 11:30 – 12:45 (Allen 1002)

Teaching Assistant (for all quiz-related concerns and inquiries): Econ315Grader@gmail.com

Course Overview: This course introduces students to the fields of microeconomics by examining how economic concepts apply to the business and practice of sports. Fields of study include game theory, labor economics, public finance, and the economics of information. Questions addressed include whether taxpayers should help fund sports stadiums, how much professional athletes are “worth” to their teams, how imperfect information affects decision-making, how economists test for different types of discrimination in sports, and what it means for sports betting markets to be efficient. Importantly, the concepts studied will also be examined in contexts outside of sports.

Prerequisites: ECON 202 - Principles of Economics (Microeconomics)

Learning Outcomes: Students who successfully complete this course will be able to do the following:

- i. Recognize how incomplete information affects optimal decision-making
- ii. Describe the theoretical causes and consequences of monopsony power, and assess the extent of monopsony power in labor markets
- iii. Describe the types, sources, and consequences of labor market discrimination
- iv. Identify the mechanisms leagues use in an attempt to achieve competitive balance, and assess the degree to which they are successful
- v. Analyze the costs and benefits of public works projects like sports stadiums
- vi. Take steps to improve your bargaining position; detect and counteract negotiation tactics used against you
- vii. Define the concept of market efficiency and assess evidence for and against market efficiency
- viii. Predict behavior and outcomes in games of strategic interaction, and develop optimal responses

Course Text: There is no textbook that accompanies this course. You may wish to read selected chapters from *Economics of Sports* by Michael Leeds and Peter von Allmen, though I do not require it. Any edition of the book is fine, so if you wish to have your own copy, feel free to buy the least expensive used copy you can find. Two copies of the book are on reserve at the Political Science and Economics Library (PSEL). Chapters from other economics textbooks also will be made available.

Grades

- Quizzes: 35%
- Exams:
 - Midterm Exam I: 20%
 - Midterm Exam II: 20%
 - Final Exam: 25% (the final is cumulative)

All grading appeals must be made in writing and within one week after the item was graded and returned. After that, the grade will not be changed.

Grading Scale:

A	80.0% +
B	70.0 – 79.99%
C	60.0 – 69.99%
D	50.0 – 59.99%
F	Below 50%

Note: A student can earn an “A” in the course *without* taking the final exam if the following conditions are met:

- Earning a raw (uncurved) score of 90% or higher on each of the two midterm exams
- Earning an average quiz score of 80% or higher based on all quizzes
- Earning an average score of 90% or higher on all quizzes given after Midterm II.

Quizzes: A quiz will be given in class each day unless notified otherwise in the preceding class. The purpose of the quizzes, which are worth 3 points each, is to test how well you understand the topics covered in the previous lecture and the assigned reading (if applicable). You must take the quiz with the section of the course in which you are enrolled to earn a positive score.

Make-up Exam/Quiz Policy: Make-up exams and quizzes will only be given for officially excused absences as outlined in Academic Rule 7 (<http://student-rules.tamu.edu/rule07>); absences must be documented in line with Rule 7. If you miss an exam, you must email Professor Hoekstra within 48 hours to alert him of the situation. If you miss a quiz, you must email Econ315Grader@gmail.com within 48 hours in order to provide documentation to excuse the absence.

Americans with Disabilities Act: The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you believe you have a disability requiring an accommodation, please contact Disability Services, currently located in the Disability Services building at the Student Services at White Creek complex on west campus or call 979-845-1637. For additional information, visit <http://disability.tamu.edu>.

Cheating Policy: An Aggie does not lie, cheat, or steal, or tolerate those who do. Violations of the honor code will result in a grade of 0 on that exam and a referral to the Honor System Office. See <http://aggiehonor.tamu.edu/> for more information.

Lateness and Courtesy: Out of respect for your instructor and your classmates, please arrive to class on time and turn off all cell phones during class.

Additional Information Required by Texas A&M University:

Texas A&M University has identified student learning outcomes that describe our institutional commitment to your educational goals. These include the ability to demonstrate critical thinking, effective communication, and social, cultural, and global competence. Please see: http://provost.tamu.edu/essentials/pdfs/copy_of_UndergraduateLearningOutcomesFinal.pdf.

Course Outline

Topics listed are tentative, but exam dates are final		
Week	Action	Topics
Week 1		
Tuesday, August 29		Introduction
Thursday, August 31		Risk Analysis
Friday, September 1	Last Day to Drop/Add (5 pm)	
Week 2		
Tuesday, September 5		Risk Analysis
Thursday, September 7		Risk Analysis
Week 3		
Tuesday, September 12		Information
Thursday, September 14		Labor Economics
Week 4		
Tuesday, September 19		Labor Economics
Thursday, September 21		Labor Economics
Week 5		
Tuesday, September 26		Labor Economics
Thursday, September 28		Labor Economics
Week 6		
Tuesday, October 3	Midterm Exam I	Midterm Exam I
Thursday, October 5		Competitive Balance
Week 7		
Tuesday, October 10		Competitive Balance
Thursday, October 12		Public Finance
Week 8		
Tuesday, October 17		Public Finance
Thursday, October 19		Negotiation
Week 9		
Tuesday, October 24		Negotiation
Thursday, October 26		Negotiation
Week 10		
Tuesday, October 31		Sports Betting Markets
Thursday, November 2		Sports Betting Markets
Week 11		
Tuesday, November 7		Sports Betting Markets
Thursday, November 9	Midterm Exam II	Midterm Exam II
Week 12		
Tuesday, November 14		Game Theory
Thursday, November 16		Game Theory
Friday, November 17	Last Day to Q-Drop Course (5 pm)	
Week 13		
Tuesday, November 21		Game Theory
Thursday, November 23	Thanksgiving	NO CLASS
Week 14		
Tuesday, November 28		Game Theory
Thursday, November 30		Game Theory
Week 15		
Tuesday, December 5		Game Theory
Friday, December 8 at 1 pm		Final Exam for Section 501 (the 10:20 am section)
Friday, December 8 at 3 pm		Final Exam for Section 502 (the 11:55 am section)