



**FACULTY OF SCIENCE COURSE SYLLABUS
DEPARTMENT OF ECONOMICS
ECON 3320 – THE ECONOMICS OF PROFESSIONAL SPORTS¹
SUMMER 2019**

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OFFICE: A13 (6206 UNIVERSITY AVENUE)
OFFICE HOURS: MTWR 15:30 – 16:00
LECTURE HOURS: MTWR 13:05 – 15:25 (Studley KENNETH C ROWE MANAG 1014)
TA: TBA

COURSE DESCRIPTION

This course applies microeconomic theory to explain the peculiar nature of professional sports. Topics may include the organisation of leagues, ticket pricing, advertising, competitive balance, franchise valuation, stadium financing, broadcasting and sports labour markets. “Controversial” topics, such as gambling, cheating, performance enhancing drugs (PEDs) and discrimination may also be covered.

COURSE PREREQUISITES

ECON 2200, STAT 1060 or STAT 2060

- Unless otherwise stated, all economics courses have a minimum grade requirement of C for their prerequisite courses.

COURSE MATERIALS

- Blair, R. *Sports Economics*. Cambridge: Cambridge University Press, 2012.

COURSE ASSESSMENT

| COMPONENT | WEIGHT | CONTENT | DATE |
|-----------------|------------|------------------|------------------|
| Attendance | 10 percent | — | — |
| Assignments (2) | 20 percent | See page 2 | June 11, June 20 |
| Midterm | 30 percent | May 30 – June 10 | June 11 |
| Final | 40 percent | May 30 – June 19 | June 20 |

CORRESPONDENCE

All correspondence in this class will be directed through **Dalhousie email addresses only**. Any email coming from any other address will be directed to spam immediately and will be neither read nor answered. If you have not activated your account already, please follow the instructions at <https://www.dal.ca/dept/its/o365/services/email.html>.

¹ Any changes to this outline will comply with Dalhousie’s syllabus policy available [here](#).

GRADE CONVERSION

| | | | | | | | |
|----|----------|----|---------|----|---------|---|---------|
| A+ | 90 – 100 | B+ | 77 – 79 | C+ | 65 – 69 | D | 50 – 54 |
| A | 85 – 89 | B | 73 – 76 | C | 60 – 64 | F | 00 – 49 |
| A- | 80 – 84 | B- | 70 - 72 | C- | 55 – 59 | | |

- Numerical grades are converted to letter grades using the Dalhousie Common Grade Scale.

EXAMS

- Exams consist of problem questions that involve algebra, equations, graphing, interpretations and proofs.
- The final exam is covers everything from the beginning of the course (see *Scheduled Lectures* below).
- Because of the short, intense nature of a summer course, **there are no supplemental assignments or make-up exams**. The best way to avoid a bad grade is to attempt and complete all exam questions.

ASSIGNMENTS

- There are two assignments in this course. Questions will be assigned in class (as opposed to posting on Brightspace). You may work in groups and submit one “clean” copy per group (ie, type written with proper spelling and grammar). The grade will be shared equally among the group regardless of the contributions of each group member.

ATTENDANCE

- Students will receive one percent for each lecture that they attend in full up to a maximum of ten percent of their final grade.

COURSE OBJECTIVES / LEARNING OUTCOMES

This course is an application of economics to sports. To be clear, this course is *neither* a discussion of fantasy leagues *nor* a review of last night’s games. Knowledge of sports and sports history should not have any significant impact on the ability to succeed in the course. After competing the course, students should clearly be able to:

- Define and evaluate the market forces that shape professional sports;
- Analyse the costs and benefits of public financing of professional sports;
- Interpret the implication of public policy in professional sports; and,
- Distinguish the distinct characteristics of the labour markets of professional sports.

EXPECTATIONS

I have been told that my lecture style is fast-paced and intense but engaging and humorous. Although students often find that this style makes the concepts easier to understand, they are often disappointed when they fail to perform to the level to which they are accustomed on my exams. My exams tend to reward those that are sufficiently knowledgeable of the underlying concepts and have developed an intuitive approach to the material. **Memorisation is almost never rewarded.**

To give you the best chance for success in my course, I strongly encourage you to come prepared and on time, avoid absences, participate regularly with a positive attitude, read the relevant materials before class and do the assigned homework before the subsequent class, dress appropriately and identify problems and seek help as soon as they occur.

TENTATIVE SCHEDULED LECTURES

| Date | Event |
|-------------|--|
| May 30 | Introduction Profit Maximisation – One-Team Model |
| June 3 | Profit Maximisation – Two-Team Model |
| June 4 | Competitive Balance The Labour Market for Sports |
| June 5 | Exchange Economy |
| June 6 | Bargaining – Owners vs Unions Advertising – The Dorfman-Steiner Model |
| June 10 | Relegation and Promotion Stadium Financing |
| June 11 | ASSIGNMENT 1 DUE MIDTERM EXAM (All material between May 30 and June 10) |
| June 12 | Auction Theory |
| June 13 | Cheating – The Haugen Model |
| June 17 | Double Marginalisation |
| June 18 | Optimal Contract Design – Principal-Agent Model |
| June 19 | Franchise Location – Hotelling Model |
| June 20 | ASSIGNMENT 2 DUE FINAL EXAM (All material between May 30 and June 19) |

- It is unlikely that class will end early. In the event that we complete the designated lecture material before the end of the scheduled time, we will begin immediately with the next topic on the schedule.
- Relevant readings and other materials will be posted on Brightspace prior to each lecture. Students are strongly encouraged to review these before coming to class.



UNIVERSITY POLICIES AND STATEMENTS

The academic rules and regulations set forth in the University Calendar and by Senate govern this course.

ACADEMIC INTEGRITY

At Dalhousie University, we are guided in all of our work by the values of academic integrity: honesty, trust, fairness, responsibility and respect (The Center for Academic Integrity, Duke University, 1999). As a student, you are required to demonstrate these values in all of the work you do. The University provides policies and procedures that every member of the university community is required to follow to ensure academic integrity. (www.dal.ca/dept/university_secretariat/academic-integrity.html)

ACCESSIBILITY

The Advising and Access Services Centre is Dalhousie's centre of expertise for student accessibility and accommodation. The advising team works with students who request accommodation as a result of a disability, religious obligation, or any barrier related to any other characteristic protected under Human Rights legislation (Canada and Nova Scotia). (www.dal.ca/campus_life/academic-support/accessibility.html)

STUDENT CODE OF CONDUCT

Everyone at Dalhousie is expected to treat others with dignity and respect. The Code of Student Conduct allows Dalhousie to take disciplinary action if students don't follow this community expectation. When appropriate, violations of the code can be resolved in a reasonable and informal manner—perhaps through a restorative justice process. If an informal resolution can't be reached, or would be inappropriate, procedures exist for formal dispute resolution. (www.dal.ca/dept/university_secretariat/policies/student-life/code-of-student-conduct.html)

DIVERSITY AND INCLUSION – CULTURE OF RESPECT

Every person at Dalhousie has a right to be respected and safe. We believe inclusiveness is fundamental to education. We stand for equality. Dalhousie is strengthened in our diversity. We are a respectful and inclusive community. We are committed to being a place where everyone feels welcome and supported, which is why our Strategic Direction prioritizes fostering a culture of diversity and inclusiveness. (www.dal.ca/cultureofrespect.html)

RECOGNITION OF MI'KMAQ TERRITORY

Dalhousie University would like to acknowledge that the University is on Traditional Mi'kmaq Territory. The Elders in Residence program provides students with access to First Nations elders for guidance, counsel and support. Visit or e-mail the Indigenous Student Centre (1321 Edward Street) (elders@dal.ca). (www.dal.ca/campus_life/communities/indigenous.html)

IMPORTANT DATES IN THE ACADEMIC YEAR (INCLUDING ADD/DROP DATES)

www.dal.ca/academics/important_dates.html

UNIVERSITY GRADING PRACTICES

www.dal.ca/dept/university_secretariat/policies/academic/grading-practices-policy.html

MISSED OR LATE ACADEMIC REQUIREMENTS DUE TO STUDENT ABSENCE (POLICY)

www.dal.ca/dept/university_secretariat/policies/academic/misled-or-late-academic-requirements-due-to-student-absence.html



STUDENT RESOURCES AND SUPPORT ADVISING

General Advising www.dal.ca/campus_life/academic-support/advising.html

Science Program Advisors: www.dal.ca/faculty/science/current-students/academic-advising.html

Indigenous Student Centre: www.dal.ca/campus_life/communities/indigenous.html

Black Students Advising Centre: www.dal.ca/campus_life/communities/black-student-advising.html

International Centre: www.dal.ca/campus_life/international-centre/current-students.html

ACADEMIC SUPPORTS

Library: <https://libraries.dal.ca/>

Writing Centre: www.dal.ca/campus_life/academic-support/writing-and-study-skills.html

Studying for Success: www.dal.ca/campus_life/academic-support/study-skills-and-tutoring.html

Copyright Office: <https://libraries.dal.ca/services/copyright-office.html>

Fair Dealing Guidelines <https://libraries.dal.ca/services/copyright-office/fair-dealing.html>

OTHER SUPPORTS AND SERVICES

Student Health & Wellness Centre: www.dal.ca/campus_life/health-and-wellness/services-support/student-health-and-wellness.html

Student Advocacy: <https://dsu.ca/dsas>

Ombudsperson: www.dal.ca/campus_life/safety-respect/student-rights-and-responsibilities/where-to-get-help/ombudsperson.html

SAFETY

Biosafety: www.dal.ca/dept/safety/programs-services/biosafety.html

Chemical Safety: www.dal.ca/dept/safety/programs-services/chemical-safety.html

Radiation Safety: www.dal.ca/dept/safety/programs-services/radiation-safety.html

Scent-Free Programme: www.dal.ca/dept/safety/programs-services/occupational-safety/scent-free.html