I. COURSE DESCRIPTION

This course will introduce and apply concepts from microeconomics to issues that arise in professional and amateur sports. Among the topics covered in the course will be: the organization of leagues, competitive balance, cooperative and collusive behavior, measurement of productivity, the market for franchises, sale and resale of tickets, and public financing of facilities.

The course will also devote significant time to the analysis of strategy in sports. Do coaches and players optimize or do they deviate systematically from optimal behavior? The availability of performance data makes sports a fruitful area for applying microeconomic concepts.

II. COURSE OBJECTIVES

Upon completing, this course you should be able to:

- Understand the role of markets in allocating scarce resources.
  - Be able to think in terms of supply and demand
  - Be able to think in terms of costs and benefits
- Understand the impact of government intervention in the market
- Understand discussions involving the sports business and politics.
- Use simple graphical models to express economic relationships

III. COURSE PRE-REQUISITES

The course prerequisite is Principles of Microeconomics (EC131) and Statistics (EC151). The course does not require any prior knowledge of sports.

IV. TEXTBOOK AND COURSE RESOURCES


Additional Readings: will be distributed in class or available on Blackboard.
V. EVALUATION OF STUDENT PERFORMANCE

Course requirements will be weighted as follows in the determination of final grades:

<table>
<thead>
<tr>
<th>Events</th>
<th>Approximate dates</th>
<th>Grade Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>QUIZ # 1</td>
<td>February 4, (Tuesday)</td>
<td>12.5%</td>
</tr>
<tr>
<td>MIDTERM EXAM</td>
<td>February 27, (Thursday)</td>
<td>30%</td>
</tr>
<tr>
<td>QUIZ # 2</td>
<td>April 1, (Tuesday)</td>
<td>12.5%</td>
</tr>
<tr>
<td>FINAL EXAM</td>
<td>May 7, (Wednesday, 9:00AM)</td>
<td>30%</td>
</tr>
<tr>
<td>ASSIGNMENTS</td>
<td></td>
<td>10%</td>
</tr>
<tr>
<td>CLASS ATTENDANCE</td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td>AND PARTICIPATION</td>
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</tbody>
</table>

These exercises will be cumulative, though emphasis will be placed on the more recent material covered. Regardless of your aggregate numeric grade, a minimally satisfactory score is required on each exam.

Note: All exams and quizzes will be held in the regular classroom.

QUIZZES:
The quizzes will be approximately 30 minutes in length. The primary purpose of the quizzes is to give you a bit of practice prior to the examinations, and to help reduce some of the examination pressure. But don't take them lightly.

EXAMS:
The midterm exam will be approximately 75-90 minutes in length. The final exam (not comprehensive) will be approximately 120 minutes. These exams will test your understanding of the core material.

HOME ASSIGNMENTS
10% of your grade will be assigned to home assignments. Home assignments may be an analysis of financial or economic news, a written summary of a section or chapter of an assigned reading, a problem to solve or a question to discuss in class. Home assignments must be typed and are due in the following class automatically, unless mentioned otherwise. Missing class does not waive or extend the deadline for submitting an assignment.

CLASS ATTENDANCE AND PARTICIPATION
Since student participation in class discussions is an important part of the course, 5% of your grade will be assigned to student attendance and participation.
VI. GRADES

Credit will be determined by assigning a numerical value to each category, corresponding to 100%. Final grades will be calculated by multiplying the relative weights by the achievement earned for each category. Letter grades will be assigned as follows:

- A: At least 94 percent of the possible points in the class
- A-: 90 to 93 percent of the possible points in the class
- B+: 87 to 89 percent of the possible points in the class
- B: 83 to 86 percent of the possible points in the class
- B-: 80 to 82 percent of the possible points in the class
- C+: 77 to 79 percent of the possible points in the class
- C: 73 to 76 percent of the possible points in the class
- C-: 70 to 72 percent of the possible points in the class
- D+: 67 to 69 percent of the possible points in the class
- D: 63 to 66 percent of the possible points in the class
- D-: 60 to 62 percent of the possible points in the class
- F: Fewer than 60 percent of the possible points in the class

I reserve the right to lower this scale at any time--for example, I may determine that 93 points should be an A. I will not raise it.

VII. IMPORTANT DATES

<table>
<thead>
<tr>
<th>Date</th>
<th>Day</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 13</td>
<td>Monday</td>
<td>Classes begin</td>
</tr>
<tr>
<td>January 20</td>
<td>Monday</td>
<td>Martin Luther King, Jr. Day—No classes</td>
</tr>
<tr>
<td>January 22</td>
<td>Wednesday</td>
<td>Last date for graduate students to drop/add in UIS</td>
</tr>
<tr>
<td>January 22</td>
<td>Wednesday</td>
<td>Last date for undergraduate students to drop/add or to declare a course pass/fail in UIS</td>
</tr>
<tr>
<td>January 22</td>
<td>Wednesday</td>
<td>Last date for all students who plan to graduate in May 2014 to verify their diploma names online</td>
</tr>
<tr>
<td>February 14</td>
<td>Friday</td>
<td>Last date for undergraduates only to drop a course or to declare a course pass/fail in the Associate Deans’ offices</td>
</tr>
<tr>
<td>March 3 to March 7</td>
<td>Monday to Friday</td>
<td>Spring Vacation</td>
</tr>
<tr>
<td>March 20</td>
<td>Thursday</td>
<td>Undergraduate Academic Advising period beings for fall registration</td>
</tr>
<tr>
<td>April 1</td>
<td>Tuesday</td>
<td>Last date for master’s and doctoral candidates to submit signed and approved copies of theses and dissertations for May 2014 graduation</td>
</tr>
<tr>
<td>Date</td>
<td>Day</td>
<td>Event</td>
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</tr>
<tr>
<td>April 7</td>
<td>Monday</td>
<td>Graduate/CASU registration period for fall and summer 2014 begins</td>
</tr>
<tr>
<td>April 8</td>
<td>Tuesday</td>
<td>Undergraduate registration period for fall 2014 begins</td>
</tr>
<tr>
<td>April 15</td>
<td>Tuesday</td>
<td>Last date for official withdrawal from a course or from the University</td>
</tr>
<tr>
<td>April 17</td>
<td>Thursday</td>
<td>Easter Weekend—No classes on Holy Thursday, Good Friday, or Easter Monday No classes on Patriot's Day (Monday)</td>
</tr>
<tr>
<td>April 17 to April 21</td>
<td>Thursday to Monday</td>
<td>Easter Weekend—No classes on Holy Thursday, Good Friday, or Easter Monday No classes on Patriot's Day (Monday)</td>
</tr>
<tr>
<td>May 1</td>
<td>Thursday</td>
<td>Last date for all students who plan to graduate in August 2014 to verify their diploma names online</td>
</tr>
<tr>
<td>May 2 to May 5</td>
<td>Friday to Monday</td>
<td>Study days—No classes for undergraduate day students only</td>
</tr>
<tr>
<td>May 6 to May 13</td>
<td>Tuesday to Tuesday</td>
<td>Term Examinations—Posted grades (non-Law) available online</td>
</tr>
<tr>
<td>May 19</td>
<td>Monday</td>
<td>Commencement</td>
</tr>
<tr>
<td>May 23</td>
<td>Friday</td>
<td>Law School Commencement</td>
</tr>
</tbody>
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VIII. COURSE ORGANIZATION AND EXPECTATIONS

Course Structure: Class sessions will consist primarily of lectures and review of problems. All new material will be presented to you either during the lectures or in the reading assignments. You are responsible for all such material. Attendance is mandatory. Each student is responsible for any announcement made in class.

Quizzes and Exams: There will be two in-class quizzes, one midterm exam and a final exam. You are allowed two 8.5x11 sheets of notes on the quizzes, and four 8.5x11 sheets of notes on both exams. You may write anything on both sides of the sheets. The quizzes and exams will cover materials covered in class as well as assigned in readings and homework problems.

Policy on Missed Exams: Any missed exam will receive a grade of zero unless a written excuse is submitted from the Office of Class Deans. In all but the most extreme emergencies, these excuses must be submitted in advance of the missed exam.

Problem Sets: The best way to learn economics and finance is by solving problems. There will be weekly problem sets throughout the course. Although these are not to be collected and graded, you are expected to do these in a timely manner, as they are integral to the course design. I urge you to do most problems. They are designed to help you study for the exams. It is therefore in your best interest to work on them thoroughly. Some class time may be devoted to the review of problems.
We will be covering a fair amount of material in a limited amount of time. Also, the development of the material will be cumulative -- it will build upon itself -- so don't let things get behind. Feel free to stop me at any point to ensure that you understand before moving on. Ask questions and visit in my office during my office hours (TTh 9:00AM-10:00AM). You can also make an appointment for other days or time. I expect each of you to drop-in before too long (or too late).

Before class, you should review previous material and skim the text to get an idea of the material to be covered in class. During class you should take good notes, ask questions if there is any point, which is not clear. You should encourage and engage in discussion when it seems appropriate. After class, you should review your notes, read the appropriate text material, and prepare a list of anything you need clarified. So class attendance is extremely important and active participation in class is strongly encouraged.

Class Participation: Class interaction is very important for all of us to gain the most from the course. You can expect both the quality and frequency of your contributions to be considered in your overall grade.

Attendance and Norms of Civility: Regular class attendance is strongly recommended. If you must miss a class, please telephone or e-mail me in advance. Please note that I will be tracking participation performance in each class. Repeated absences can significantly impact your final grade for the course.

In order to maintain a classroom environment, which is pleasant and conducive to learning, certain modes of conduct will be expected to be followed by all students in this class.

1. Tardiness is considerably distracting to your classmates; therefore all effort should be made to arrive on time.
2. Limited amounts or liquid refreshments are all right, but eating a meal at your desk is not acceptable conduct. It is inconsiderate and distracting.
3. Cell phones, beepers, pagers, or any type of signaling device are not permitted in class.
4. We do realize that your classes are lengthy and there is limited space in the rest rooms to be used during breaks, but frequent coming and going during the class is discouraged.
5. Do not leave trash behind in the classroom when you leave nor write on furniture.
6. Refrain from prematurely closing books and notebooks before class ends. This is impolite and distracting to people around you.
7. It is expected that your conduct in class show respect to others in several ways:
   a. No use of profanity
   b. Interrupting others is not acceptable conduct
   c. Respect of others can be shown by listening to their comments and answers, as you would expect them to pay attention to your remarks.
IX. ACADEMIC INTEGRITY

The academic enterprise at Boston College assumes academic integrity, which in this course means that all your work on your exams and your paper is your own, and that you appropriately reference the work of others in your paper. Always err on the side of citation! Violations of academic integrity will be reported to your class dean and then reviewed by the College of Arts and Sciences Academic Integrity Committee. Consequences can be very serious. I urge you to review university policy and procedures at: http://www.bc.edu/integrity. If you have any questions, please consult with me.

X. ACCOMMODATIONS FOR DISABILITIES

If you have a disability and will be requesting accommodations for this course, please register with either Kathy Duggan (Kathleen.duggan@bc.edu) Associate Director, Academic Support Services, the Connors Family Learning Center (learning disabilities and ADHD) or Paulette Durrett (paulette.durrett@bc.edu), Assistant Dean for Students with Disabilities (all other disabilities). Advance notice and appropriate documentation are required for accommodations.
XI. READING SCHEDULE

Introduction
*Leeds and von Allmen (LA) Chapter 1

Sports Franchises as Profit-Maximizing Firms
*LA Chapter 2 (including Appendix 2A) and 3

Applications of Probability and Statistics
*LA, Appendix 2B

Do Coaches Optimize?
*Sackrowitz, H., “Refining the Point(s) after Touchdown Decision,” Chance, 2000, 29-34.
Do Players Optimize?
*LA, Chapter 4 Appendix

Gambling and Corruption

Monopoly and Antitrust

Competitive Balance
*LA Chapter 5
**Player Selection**

**Uneven Playing Fields: The Impact of Home Advantage and Coin Tosses**

**Competition for Franchises and Events**
*LA Chapter 6 and 7

**Labor Markets in Professional Sports**
*LA Chapter 8 and 9
The Effects of Incentives
*LA Chapter 8
Chan, W., P. Courty and H. Li, “Suspense: Dynamic Incentives in Sports Contests,” 
*Connolly, R., and R. Rendleman, Jr., “Skill, Luck, and Streaky Play on the PGA Tour,” 

Discrimination
*LA Chapter 10

Ranking Schemes (one class)

College Sports
*LA Chapter 11