Please note this very preliminary, but hopefully will provide enough information for students who might be thinking of taking this course (so is much more discursive than a typical syllabus). It also has information on papers and grading which some might find relevant.

The first question is “why sports?” In a university no one would ask “why political economy?” but isn’t sports a bit frivolous. Fortunately John Sexton has already written “Baseball as a Road to God” so clearly baseball cannot be too frivolous (and here we are only seeking a road to understanding political economy, a much more mundane task than is Sexton’s). For me sports are an ideal way to understand some of the most important and deep insights of political economy. Many of us understand sports much better than we understand more typical institutions of political economy; we have much better data on sports; and, sports is more fun.

What is political economy? It is a term that covers so many things that it is close to meaningless. In this course it means the applications of analytic techniques used heavily by economists to study topics outside of standard economics. The applications are limitless: just google “the political economy of.” We will also use the term to refer to the relationship of politics to private economic activity. The course has several multi-week sections.

It is important to be clear what this course is not. In particular, as fun as it might be, this is not a course in sabermetrics (SABR is the Society for American Baseball Research and metrics means measurement.) Trivially, we move well beyond baseball, though we surely use baseball (but spend more time professional soccer and college football and basketball). More importantly, sabermetrics is largely concerned with issues of measurement (and some related statistical issues); we deal with tangentially but these issues are only relevant insofar as they apply to questions related to political economy. The generalization of sabermetrics, sports analytics, also applies data to sports but from the perspective of improving the performance of sports teams. Thus a canonical question for soccer is whether the 4-4-2 is superior to the 4-3-3. This is not a question related to political economy. So interesting as sabermetrics is, it is not really part of this course.

We could also have a course on sports as a road to sociology or sports as a road to understanding contemporary society. These also would be interesting courses, but are well beyond my field of expertise. Thus, for example, we will deal with why Bobby Knight was so powerful at Indiana but not why he felt that young basketball players were best motivated by misogyny.

With that, here are a list of topics which will give you a better idea of what the course is about.
1. Sports as a road to political economy skills

a. Key to political economy is the issue of incentives and the response of actors to those incentives. We look at the financial and job security incentives of both players and managers, and also ask the very hard question of how managers are evaluated (and the separate issue of how they should be evaluated. We shall also empirically examine what are the actual incentives of sports figures as revealed by payrolls.

b. The next key skill is elementary decision theory (which sounds less formidable when we actually study whether players should attempt to score on a sacrifice fly or shoot a three point shot). The essence of this problem is that decisions are made by a single actor which are contingent of various states of the world but are not contingent on the strategic decisions of other actors. This also enables us to discuss the meaning of probability in a concrete context, and then to understand any insurance related issue in political economy (such as climate change).

c. We then turn to strategic issues, the purview of game theory. A player taking a penalty kick and a keeper are playing a game; if one knows what the other will do, that will influence what one does, etc. This introduces us to the idea of Nash equilibria and the Von Neumann-Morgenstern theorem, the underpinnings of modern game theory (and the basis for any strategic analysis). As an extra incentive, we shall also examine the non-sports application to the placement of poisoned drinks in The Princess Bride.

d. The section concludes with a discussion of what is known as social choice theory, that is, how do we aggregate individual preferences into a single outcome. Aggregating preferences is obviously a key political problem, and one that has been studied in political science since, at least, Lewis Carroll. Here we discuss aggregating individual rankings in various Olympic sports (ice skating, gymnastics) as well as various issues such a breaking ties in events such as soccer. Ice skating and choosing political leaders are not so different.

2. Sports as a road to understanding law

a. We begin with issues of labor-management bargaining (whether collective or individual). We study how the legal rules affect the bargaining process; amongst these rules are various arbitration schemes (final offer vs. open) and rules related to free agency (including the Bosman ruling in European soccer). We shall see that there are numerous issues in both interpreting and enforcing contracts.

b. Issues of anti-trust? What if the Supreme Court had not declared that baseball, as a “game,” was not subject to anti-trust laws? What if it had decided that other sports were similar to baseball in this way? What if universities could not collude (via such institutions as the NCAA)?
c. Enforcing rules in sports. Schemes to ensure fairness (various sharing rules in American sports, Financial Fair Play in European soccer). This also leads to the interesting question of what does “fair” mean.

d. The intersection of sports teams and governments. Why do some governments offer enormous incentives for sports teams to either relocate or stay in place? Why did Mayor Bloomberg want to build a new stadium for the Jets on the West Side? Why does anyone want to subsidize the Olympics? How costly are these endeavors to taxpayers?

3. Sports as a road to understanding universities

a. The role of “big time” sports in major universities (not NYU!). What can a study of how universities deal with sports tell us about the nature of higher education? What is the role of money in the relationship of sports and universities?

b. Sports and students. What can we say about how sports affects the types of students who are admitted? How are “student”-athletes treated? Why do we not pay “student”-athletes? Why does only the US have sports teams that are university related?

c. Women (finally) and sports in American universities. The impact of Title IX on both girls and schools. Can laws change norms and customs? Can they change universities?

4. Sports as a road to understanding societies

a. Sports and racism. How would we know if sports teams discriminate against various groups in terms of pay or other issues? This is the same issue as the study of wage discrimination in any labor market. Racism is particularly prevalent in soccer. How has the campaign to “say no to racism” proceeded and how is it working out?

b. Sports and culture. Why is soccer so important to so many people (and the same for American college football)? How do these football cultures spring up? Why do they differ?

c. Back to gender Why do the earnings of male and female athletes differ? How do various sports differ here? Why is the purse for up and coming young male golfer’s $600,000 (typical Nationwide Tour event) while for up and coming female golfer’s it is only $125,000 (Future Tour). Why has this changed in tennis? What does this have to do with, if anything, issues of gender equity in pay?

You will note 14 subtopics and 14 weeks of the seminar. The various subtopics will be pruned back so that each requires a reasonable amount of reading for a week. Some topics may be replaced by others depending on current events or interests (or publications). With modern technology, there is no more reason for inflexible syllabi.
Requirements

1. Research Paper due at end of the semester (approximately 10-15 pages) - topics to be set in consultation with the instructor. These papers will be a more in detailed examination of one particular issue, using the methods of the course. This paper counts for 40% of your grade.

2. TWO shorter (4-5 pages) “blog posts” related to the course. By a blog post I mean a reasoned argument using some evidence arguing for or against something relatively specific and hopefully of current interest. While it is hard to know exactly what will be of current interest, an example of a post might be “Rutgers should not join the Big 10”

Soccernomics

The most common source of journal articles is the Journal of Sports Economics. There are a few standard books that are related to what we are doing. (Note that Moneyball is NOT on this list!). Amongst these (all in cheap ebook form) are:

Kuper and Szymanski - Soccernomics
Noll and Zimbalist - Sports, Jobs and Taxes
Foer, How Soccer Explains the World
Clotfelter, Big Time Sports in American Universities
Zimbalist, Circling the Bases