Economics 322
Economics of College Sports
Spring 2011

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503-883-2402
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Meeting Place: Walker 301
Meeting Time: 10:45-11:35 MTWTh
Office Hours: Monday 1:30-3:30; Tuesday 1:15-2:45; and Wednesday 1:30-3:00pm, and by appointment.
Changes will be announced via email or in class. You can also contact me via e-mail.

Prerequisite: Econ 210

Texts:
The Economics of Intercollegiate Sports, by Randy R Grant, John Leadley, and Zenon Zygmont (World Scientific, 2008).

You should also read, on an on-going basis, publications such as The Sporting News, Sports Illustrated and/or the sports section of a daily newspaper. This can include reading daily sports news on websites such as espn.com.

Websites: This list represents a mere fraction of the various sites you can visit to find articles and data pertaining to sports economics (both college and professional).

www.sportseconomics.com
www.sportslinkscentral.com
www.amstat.org/sections/sis
www.econ.utah.edu/sinclair/links.htm
www.vanderbilt.edu/Econ/faculty/Vrooman/sports.htm
www.ncaa.org

Linfield Curriculum Designation: This course provides four credits toward fulfilling the Individuals, Systems, and Societies (IS) or U.S. Pluralisms (US) areas of the Linfield Curriculum. For students entering Linfield Fall 2010 or later, in order to earn IS or US credit for this course, you must complete the electronic submission of exemplar work and supporting descriptions by the last day of finals week, as discussed in the Linfield College 2010-2011 Course Catalog, pages 6-8.

Course Description and Objectives:

Using the tools of economic analysis, this course will examine issues pertaining to intercollegiate sports, including the NCAA cartel, labor markets for players and coaches, the role of the media in the commercialization of college sports, and race and gender discrimination. It will address controversial policy issues such as Title IX, paying college athletes, and athletic department spending restrictions to curb the “arms race” in college sports. While study will be focused on the specific area of college sports economics, through the process students will further develop their general proficiencies in the areas of:
1) Displaying command of existing economic knowledge. Through the completion of end-of-chapter questions, article reviews, short papers, and the final examination, as well as participation in class discussions, students will be required to explain and apply theoretical concepts, summarize current conditions, and summarize the dimensions of relevant policy issues, all within the scope of college sports economics; and

2) Utilizing existing economic knowledge to explain economic issues. Through completion of the short papers, article reviews, in-class discussion, and the final examination, students will be required to analyze issues pertaining to college sports economics, apply economic theory, and identify and evaluate the potential policy approaches, solutions, and/or dilemmas associated with the issues.

This course will promote better understanding of individuals, systems, and societies, in keeping with the Linfield Curriculum objectives. As written in the Linfield College Catalog, “Courses in this area examine how members of societies organize themselves to satisfy individual needs/wants and collective goals. They foster an understanding of complexity and interconnectedness of individuals, systems, and societies across local, national, and/or global contexts. They also encourage students to think critically about themselves and their relationships to other individuals, institutions, and/or social systems.” This course will examine how individuals and groups make decisions to satisfy wants, particularly with regard to college athletic departments’ attempts to control intercollegiate sports through the NCAA, and the efforts of college athletes to navigate a system where the potential risks and rewards are significant.

This course will also promote an appreciation for U.S. pluralisms, consistent with the Linfield Curriculum objectives. As described in the Linfield College Catalog, “[These] courses explore the diverse experiences among those living in the United States…. These courses examine how the dominant traditions of American culture have marginalized the voices of those who have typically fallen outside those traditions, using analytical frameworks…. ” Specifically, this course will examine the treatment of women by exploring policy issues such as Title IX, as well as discrimination against racial minorities in college sports, both as players and in the various levels of administration.

**Pedagogical Approach**

This will not be a traditional lecture course. Prior to the start of each chapter, students will be provided a set of chapter discussion questions. On the days that we are scheduled to cover those chapters, students, often by random draw, will present their answers, and the rest of the class will be asked to respond. Elaboration and/or correction by the instructor will occur as needed. Similar procedures will be followed when discussing homework problems and article reviews.

**Course Requirements:**

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<tbody>
<tr>
<td>Homework</td>
<td>0%***</td>
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<tr>
<td>Article reviews</td>
<td>10%</td>
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<tr>
<td>Midterm exam</td>
<td>10%</td>
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<tr>
<td>Final exam</td>
<td>15%</td>
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<td>Class participation (including field trips)</td>
<td>20%</td>
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<tr>
<td>Short papers (4)</td>
<td>40% (10% each)</td>
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<tr>
<td>Reflective Essay</td>
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Late assignments will be accepted only for valid reasons and at the professor’s discretion. Make-up exams are given at the professor's discretion. Interference with vacation plans is not a valid reason for missing an exam or assignment due date.

Students with disabilities are protected by the Americans with Disabilities Act and Section 504 of the Rehabilitation Act. If you are a student with a disability and feel you may require academic accommodations contact Cheri White, Assistant Director of Learning Support Services (LSS), within the first two weeks of the semester to request accommodations. LSS is located in Walker 124 (503-883-2444). Students should also communicate with their faculty about their accommodations and any special needs an instructor should be aware of, and should make an appointment with the instructor as early as possible, no later than the first week of the term.

This course adheres to the college policy on academic honesty, as published in the Linfield College Course Catalog. Academic dishonesty may result in a failing (F) grade for the course.

Homework / End of Chapter Questions

There is no formal homework requirement for this class, however, it is recommended that you attempt all questions at the end of each chapter. Many of these questions provide excellent examples of the types of questions you can expect to see on exams, and some will be used to guide class discussion of the material.

Article Reviews

For this assignment you will need to locate articles pertaining to college sports economics. These articles may focus on the economic structure of a particular sport, labor market issues, the effects of proposed or existing policies on the NCAA, or any other relevant topic. You are required to complete and be prepared to present and discuss at least one review each week. You are required to complete five written reviews this term, submitting no more than one each week (i.e. not all turned in the last week of class), and your first written review is due the first week of class. These are to be typed, single-spaced, with a maximum length of one full page. Article reviews will be discussed and collected on Thursday each week. Please do not attempt to turn in written reviews on other days. After you have completed your first five, additional reviews will be accepted to replace lower scores on earlier reviews.

Your reviews should reflect your understanding of the material covered in this or previous economics classes, and/or in the required readings, but you should also feel free to compare and contrast the content with other articles you have collected. Because of the space limitations, you will need to be concise. When you turn in your review you must also include a full source citation of the article you have analyzed. Scores will depend primarily on how well the central concepts in the article are identified and explained. Simply repeating or summarizing an article’s content will result in a lower score for the assignment. A good rule of thumb is that 1/3 of your review should be summary; the remaining 2/3 should be analysis.

Articles assigned for regular class reading may not be used for article reviews unless specifically assigned for that purpose by the instructor.

Exams

There will be both a midterm and final exam for this course. The structure of the exams will be disclosed at a later time. Completing the end-of-chapter review and discussion questions will help prepare you for the exams.
Class Participation

It is expected that every student will participate actively in the class. This includes, but is not limited to, providing input to discussions and asking thoughtful questions. Successful participation requires familiarity with the subject matter, which typically requires preparation. In other words, read the chapters before we are scheduled to cover them. Of course, successful participation also requires attendance. Absences reduce your opportunities to contribute, and unexcused absences may adversely affect your participation grade. If it becomes apparent that students are not adequately preparing for class, I reserve the right to give quizzes or other similar assignments to provide encouragement. Scores on these activities will comprise part of the participation grade for the course.

Field Trips

We will take field trips this term to view events and venues relevant to college sports. For each of these field trips, students will write a one-page reflective summary and analysis of the experience; this essay will form part of the participation/field trip grade. Those unable to attend field trips must notify me well in advance, and will be required to complete an alternative assignment.

Short Paper #1 – Discussion and Analysis of an NCAA Rules Violation

For this assignment you will write a short paper about an NCAA violation at a Division I university. You will also make a short (five to ten minute) presentation to the class, describing the violation.

Your paper should include the following information:

1. At which university did the violation occur?
2. When did the violation occur?
3. What was the violation?
4. Who committed the violation (e.g., players, coaches)? List the names of all parties involved, their sport, position, year in school, and remaining years of eligibility.
5. Which NCAA rule(s) were violated? To find the bylaws for Division I schools, go to http://www.ncaa.org. Click on “Legislation and Governance”; click on “Rules and Bylaws”; scroll down to find Division 1 bylaws, which can be downloaded as a PDF file (but it’s huge, so you might want to extract the relevant pages).
6. How were the violation(s) discovered? Who reported them?
7. What punishment(s) were imposed?
8. What is your analysis of and opinion about the alleged violation(s) and punishment(s)? Does the punishment provide sufficient incentive to discourage future violations of this sort?

The paper must contain three to five full pages, not counting graphs, tables, or references, and must be typed, double-spaced and stapled. Each student must focus on a unique violation of NCAA rules (no duplications). Do not choose a criminal case (assault, robbery, rape, etc.). To ensure that there are no duplications you must notify me of your choice of school and specific violation via email no later than 10:45 a.m. on Monday, February 21. If your paper topic duplicates another student’s, you will receive no credit for your paper.
The paper is due as an attached Word document and as a hard copy by 10:45 a.m. on Monday, March 7. Class presentations will be held the week of March 7-10. Material presented by students may be included in exam questions. Papers will be evaluated according to the following criteria (a grading rubric reflecting these criteria will be distributed electronically):

1. Does the paper include at least three, double-spaced, typewritten pages of text, not counting references? Font type should be no larger than 12 point; margins no larger than one inch at the top and bottom, and on the sides.
2. Is the paper clearly written and free of grammatical and typographical errors? A poorly written paper, regardless of quality of content, will result in a poor grade.
3. Does the paper include all the information requested above?
4. Are a wide variety of research sources used?
5. Are all references properly cited?

Short Paper #2 - Overview of an NCAA Division I Athletic Department

For this assignment you will write a short paper about an NCAA Division I university athletic department.

Your paper should include the following information:

1. Name of institution.
2. Location.
3. Date founded.
4. Number of students (include breakdown by gender and by undergrads/grads).
5. Number of intercollegiate sports offered (in a table, by gender).
6. Number of athletes (in a table, by gender and sport).
7. Name of athletic director.
8. Number of athletic department employees.
9. Athletic department budget for 2009-10 (or most recent information available).
11. Names of football stadium and basketball arena and number of seats.
12. Date stadium and arena built. Date of last renovation.
13. Number of luxury suites at the stadium and arena.
14. Number of NCAA violations (since 1999 and by sport if possible).
15. Academic majors of all male and female upperclassman on 2009/10 basketball roster.
16. Graduation Success Rate (GSR) and Academic Progress Rate (APR) for football and men’s and women’s basketball, for 2009 (or most recent year available).
17. Assessment of the current status of the institution. How successful are they in athletics? What are their short- and long-term prospects for athletic success? How has the institution and/or athletic department been affected by the economic downturn (or other economic events) or NCAA violations?

The length of the paper is left to your discretion but it must include references and be typed, double-spaced and stapled. Each student must focus on a unique Division I institution. To ensure that there are no duplications you must notify me of your top three choices of schools via email no later than 10:45 a.m. on Monday, March 7. I will resolve conflicts if necessary.
The paper is due at 10:45 a.m. on Monday, April 4 (both as a hard copy and attached Word document). With the exception of page length and specific content requirements, the paper will be evaluated according to the same criteria as Short Paper #1.

**Short Paper #3 – Gender Equity and Title IX Compliance**

For this assignment you will write a short paper about a NCAA Division I university athletic department’s status with regard to gender equity and Title IX compliance. You will use the same institution as for Short Paper #2, and you will compare your institution with data from Linfield College. Your primary sources of information will be data collected for Short Paper #2, and the U.S. Department of Education’s “Equity in Athletics Data Analysis Cutting Tool,” which can be found at http://ope.ed.gov/athletics/index.aspx.

Your paper should include the following information:

1. Name of Institution
2. Number of full-time undergraduates (break down by gender)
3. Number of intercollegiate sports offered (list by gender).
4. Number of athletes (by gender and sport).
5. Athletic Conference to which the school belongs.
6. Number of athletes in the conference (by gender and sport).
7. Numbers of male and female head coaches of men’s teams.
8. Numbers of male and female head coaches of women’s teams.
9. Average Annual Institutional Salary per Head Coach (men’s/women’s)
10. Total athletically related student aid (by gender)
11. Revenue generated by athletic teams (break down by gender and include separate breakdowns for football and men’s and women’s basketball)
12. Recruiting expenses (break down by gender)
13. Operating expenses (break down by gender and include separate breakdowns for football and men’s and women’s basketball)
14. Highest and lowest operating expenses per participant for both men’s and women’s teams
15. Lawsuits (ongoing or resolved) or sanctions against the institution for Title IX violations
16. Recent demonstrations of effort to improve Title IX compliance
17. Assessment of the institution’s status with regard to gender equity. How does the ratio of female students to the total student population compare to the ratio of female athletes to the total number of athletes? Are the monetary expenditures proportional to participation? Is the institution in compliance with Title IX? Does the institution face any problems regarding Title IX compliance? How does the institution compare to Linfield College with regard to gender equity?
18. Identify the school’s mascot and whether or not there has been any controversy surrounding it.

The length of the paper is left to your discretion but it must include references and be typed, double-spaced and stapled. Each student will focus on the same Division I institution as in Short Paper #2. The paper is due at 10:45 a.m. on Monday, April 25 (both as a hard copy and attached Word document). With the exception of page length, the paper will be evaluated according to the same criteria as the first two short papers.
Short Paper #4 - Overview of Recent Reform Efforts

This assignment is a group project. In this assignment your group will write a short paper about an institution that wants to reform collegiate athletics. The paper is due to me no later than 10:45 a.m. on Wednesday, May 18. Groups will present (using Power Point) the results of their research to the class beginning on Tuesday, May 10.

On Monday, April 4, you will be assigned an institution to research. Each group will consist of approximately four (4) students. You may form your own groups; if you choose to do so you must notify me of the participants in your group via email no later than Thursday, March 31.

The name of each institution is listed below.

The Drake Group
The Knight Commission
National College Players Association
Coalition on Intercollegiate Athletics
Center for the Study of Sport in Society

Your paper should include the following information:

1. What is the “mission statement” or charter for the institution?
2. When was the institution formed? Why was it formed?
3. Who belongs to the institution? Who are its members? Have any universities and/or athletic conferences supported the institution?
4. Summarize the institutions recommended changes for intercollegiate sports.
5. Compare and contrast the recommendations with those listed in textbook Chapter 9.
6. Who would be responsible for implementing the recommended changes?
7. Evaluate the recommendations (which ones appear to the most feasible, which appear unlikely to be adopted).
8. What accomplishments does the organization claim to have achieved?

The length of the paper is left to your discretion. The paper will otherwise be evaluated in the same manner as the three short papers. Material presented by students may be included as exam test questions.

The presentation will be evaluated on the basis of how well you communicate to class the information included in your paper. The use of Power Point is expected. In both the paper and the presentation you must identify the “division of labor” (the specific responsibilities of each student on your group, and their percentage contribution to the overall effort).

Reflective Essay

Near the end of the semester you will be given a “reflective essay” assignment that will require you to assess and provide evidence as to how the various activities of the course accomplished the course objectives described above.
Grading Standards

After all points have been tabulated, anyone meeting the criteria below will receive no less than the grade indicated. Depending on circumstances, the instructor reserves the right (but is not obligated) to adjust these criteria in favor of the students. Under no circumstances will a student earning less than 50% of the total possible points (pre-adjustment) be assigned a passing grade.

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<tr>
<th>Grade</th>
<th>Percentage</th>
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<tr>
<td>A</td>
<td>93-100%</td>
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<td>A-</td>
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<td>B+</td>
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<td>F</td>
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Attendance Policy

More than two unexcused absences are sufficient cause to adjust your grade downward (by a maximum of 10%). Less than perfect attendance will also adversely affect your ability to participate, and thus your participation grade. Ultimately, however, attendance is a choice; I will not physically ensure your presence in the class. Some reasons for missing class (illness, official college activity, etc.) are excusable; others are not. If you miss class and desire that it be an excused absence, you must submit, in writing, an explanation for your decision not to attend. Your explanation must demonstrate a correct understanding of the principles of economic decision-making.

If you know in advance that you will be absent (such as for a college activity), you must submit your explanation prior to the class period you will miss. If your absence was not anticipated (e.g., waking up ill), you must call or e-mail as soon as possible, and, upon your return, provide your written explanation. Following the advice of the CDC to prevent the spread of H1N1 and other Malthusian bugs, if you have flu-like symptoms (fever, cough, runny nose) please stay home until you have recovered.

Tentative Course Outline:

The addition of field trips and guest speakers may result in modification of the dates presented below.

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapter/Topic</th>
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<tbody>
<tr>
<td>Feb. 7-8</td>
<td>Course intro, syllabus, brief brush up on economic principles</td>
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<tr>
<td>9</td>
<td>Book Intro</td>
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<tr>
<td>10</td>
<td>Article reviews (first written review due)</td>
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| 14-17 | Ch. 1: The History of Intercollegiate Athletics and the NCAA  
This chapter traces the historical development of college sports, including the formation and evolution of the NCAA. It provides the institutional background necessary for understanding the commercialization of college sports and the powerful cartel that the NCAA has over intercollegiate athletics. |
| 21-24 | Ch. 2: Cartels in College Sports  
Chapter 2 develops the economics of market structures, including cartels, and demonstrates how the NCAA fits into the cartel model. |
Labor markets can be complex, and this is especially true in the college sports industry. This chapter examines the array of labor market models (competitive, monopoly, monopsony, and bilateral monopoly), and demonstrates how intercollegiate sports falls within those models. In Chapter 3 we also consider the controversial question of whether college athletes should be paid (particularly in revenue-generating sports).

Short paper #1 due / presentations begin

March Madness (Special unit on the NCAA men’s basketball tournament)

Article reviews (Topic: March Madness)

Spring break (note the starting and ending dates)

Chapter 4 extends the discussion begun in Chapter 3 as to whether college athletes should be paid. Specifically, it examines the argument that athletes shouldn’t be paid because of the education they receive through scholarships. The performance of schools in delivering that education (as measured through such things as graduation rates) is evaluated.

Midterm exam

Ch. 5: The Labor Market for College Coaches

Discussion of labor market issues continues, this time exploring coaches’ salaries. Chapter 5 examines the rapid growth in coaching salaries, addressing whether or not such salaries are justified in economic terms. Labor market phenomena such as “winner-take-all markets” and the “winner’s curse” are introduced and applied.

Ch. 6: The Athletic Department and the University

Chapter 6 looks at the athletic department’s role in the university, particularly as it applies to revenue generation and budgeting. It examines the assertion that athletic departments, or at least certain sports within athletic departments, are net revenue producers for an institution. Athletic department spending has escalated over the past 30 years, and competition between universities has been referred to as an “arms race” that leaves everyone worse off. Finally, this chapter investigates whether athletic success increases enrollments and donations, and whether it compromises education.
April 18-21  Ch. 7: The Media and College Sports
College sports have evolved into a multi-billion dollar industry, largely due to the involvement of broadcast media. This chapter studies the history and growth of the media’s relationship with college sports, and examines the impact the media has had on athletic department budgets, game scheduling, and the structure of post-season play. Specific attention is given to the BCS and NCAA men’s basketball tournament.

25  Short paper #3 due

25-28  Ch. 8: Race, Gender, and Legal Issues
As in other aspects of life in the United States, racial and gender discrimination has been a problem in intercollegiate athletics. Chapter 8 introduces the economics of discrimination in general, and then applies it to various levels in college sports, from players and coaches to athletic directors and university presidents. Recent performance, as measured through the Race and Gender Report Card and similar reports, is examined.

Title IX was passed in 1972 to provide equal opportunity with regard to gender. Numerous judicial interpretations and legislative revisions have occurred since Title IX passed, and it is still highly controversial. There is also great confusion about what Title IX requires and what it does not. This chapter will clear up at least some of the misconceptions, and the real impacts will be examined. Proposed revisions to Title IX will also be considered.

May 2-19  Ch. 9: Reforming College Sports
The first eight chapters revealed some of the problems that have come with the commercialism of college sports. This final chapter wrestles with the question of whether reform is really necessary and, if so, what form it should take. Some are content with the status quo; others want fundamental changes that range from replacing revenue-generating sports like basketball and football with a minor league system, to abolishing intercollegiate sports. Chapter 9 attempts to provide an objective assessment of many of the most heard suggestions.

11-18  Presentations of Short paper #4

19  Short paper #4 due

23  Final Exam, 10:30am (Monday)

Obstinate ignorance is usually a manifestation of underlying political motives. -- M. Kalecki

Education is like taking a bath. It's not over after the first one. You have to do it again and again.  -- Anne Carpenter

Do or do not, there is no try. – Yoda

Finally, as Yogi might say, 90% of this class is 80% mental.