

Sommersemester 2010

Diplom/Bachelor – Kurs ist anerkennungsfähig für B12

### WP The Economics of the North American Sports System

Semester	alle
Semesterwochenstunden	2

Lehrsprache	English
Vorgesehene Gruppengröße	10 - 25

**Dozent/in:** Markus Kröll

---

#### Course unit description:

This course offers an introduction to the North American sports system and compares it to the European one. Not only does the North American sports system focus on sports which are considered second tier sports in Europe at best, but it also differs in terms of the cultural comprehension of sports and its organization. Sport has long been run like a business in North America, albeit leaders, executives and promoters have never got tired of pointing out the “special nature of sport”. This “special nature” has served as the main justification for the implementation of some measures which are incompatible with the principles of a free-market economy. Thus, these measures are highly controversial among scholars, sports executives and legal authorities.

These measures, their justification and scientific and legal assessment are of great value and can serve as a starting point for all those who are searching for ideas to optimize the execution of sporting contests in an evermore commercialized European sports market.

#### Objective:

The main goal of this course is to familiarize students with the North American sports system, its special features and latest issues. After completion of this course, students should be able to assess which of the presented measures could be applied to the European market. Additionally, students will have the chance to practice their English language skills and get accustomed to articles from scientific journals.

#### Contents:

The course will address the following topics

- Facts and figures: NFL, MLB, NBA and NHL and their revenue streams
- “The special nature of sports”
- Organization of leagues
  - Franchise system
  - Minor-Leagues
  - Single-Entity: Major League Soccer
- Sport franchises as profit-maximizing firms
- Monopoly and antitrust
  - MLB’s antitrust exemption
  - “Sports Broadcasting Act”
  - The single-entity defence: American Needle vs. NFL

- Competitive balance
  - Revenue sharing
  - Salary Cap
  - Reverse-Order Draft
  - Schedule adjustments
- The Labor Market
  - The Draft
  - The Reserve Clause & Free Agency
  - Arbitration
  - Labor Unions
- College Athletics: The NCAA

**Methods:**

Theoretical discussion, reading of articles in scientific journals, presentations. Each student will have to research a topic related to this course and give a presentation in class. Topics are assigned in class during the first meeting.

**Requirements:**

Although the course is held in English, special vocabulary or grammar skills are **not** required. This is **not** an English course, but a course taught in English.

Students should show the willingness and interest to engage in discussions in class.

**Bewertung:**

Prüfungsleistung in Form einer Präsentation (50%) und eines 60-minütigen Abschlusstests (50%).

**References:**

W. Andreff, & S. Szymanski (Hrsg.), *Handbook on the Economics of Sports* (S. 304-308). Cheltenham, UK/ Northampton, MA, USA: Edward Elgar

Fort, R. (2003). *Sports Economics*. Upper Saddle River, NJ, USA: Prentice Hall.

Leeds, M. A., & von Allmen, P. (2008). *The Economics of Sports* (3. ed). Boston: Addison-Wesley.

Further references will be provided in class.

**Erstellungsdatum:** 17.02.2010