

Seminar
**“The Sports Sector as a Laboratory
for Microeconomic Research”**
(Summer Term 2017)

Prof. Dr. Andreas Roider,
Johannes Moser, and Felix Peterhammer

Preliminaries: The seminar will take place as a *Blockseminar* from SAT May 20 to MON May 22, 2017 at the youth hostel Dikjen Del in Westerland (Sylt). All three seminar days will be fully occupied with seminar slots so that participants are expected to arrive on FRI May 19 and to leave on TUE May 23. The seminar will be held jointly with students from the University of Hamburg (Prof. Dr. Gerd Muehlheusser).

Expenses: The cost per night in the youth hostel is 35 Euro per person (shared rooms, including full board). The total amount for accommodation of 140 Euro (4 nights à 35 Euro) must be paid in advance (cash only) at the startup meeting on February 14, 2017 (see below). Important: You need to bring the exact amount of 140 Euro in cash.

Group tickets (round travel) for Deutsche Bahn (Regensburg - Westerland - Regensburg) will be around 100-120 Euro, depending on group size etc. This will be discussed at the startup meeting.

Outline: The seminar is paper-based and covers a number of topics in areas where the sports sector has proven a valuable laboratory for microeconomists. Each session is centered around the core reference(s) on the respective topic on the reading list, to be presented by groups of two students, followed by a discussion (which should go beyond the core references; again by groups of two), and a general in-class discussion. The written paper (Seminararbeit) is supposed to build on a larger base of the relevant literature. The main language of the course is German, but, if preferred by you, your presentations and seminar paper may be in English as well.

Prerequisites: This seminar is open to BSc and MSc students. Students should have a solid knowledge in microeconomics, game theory, and (micro)econometrics.

Assessment:

1. Seminar presentation (ca 30-45 min, 45%)
2. Written paper (Seminararbeit, 12-15 pages, 45%)
3. Presentation as a discussant (ca 10 min, 10%)

Group work (presentations and seminar papers) will be graded for the group as a whole, and each group member receives the same grade. Students who insist on individual grades must notify us **in advance**. Active participation in the general class discussions following the presentations is strongly encouraged and can upgrade your final grade by up to 0,4.

Important Dates Before the Start of the Seminar:

- February 10, 2017: **Deadline for registering** for the seminar by email to Johannes Moser (johannes.moser@ur.de). Slots in the seminar will be reserved on a first-come-first-serve basis.
- February 14, 2017, 10:00-10:30, room 4.24 (RWL): **Startup meeting** and assignment of groups for the presentations and discussions. This is also the **deadline for payment** of 140 Euro for the youth hostel (see above).
- May 5, 2017 (midnight): **Deadline** for submitting the **written papers** (Seminararbeiten) and the **slides of the main presentations** (not for the discussions) by email to johannes.moser@ur.de. Note that this means that you must submit this material **before the seminar takes place!**

Seminar Topics

For each of the topics, there will be a presentation and a discussion by a group of students. Half of the topics will be assigned for presentations by students from Hamburg (those are marked “**H/R**”), the other half for presentations by students from Regensburg (those are marked “**R/H**”). The respective discussion will be held by students from the other place.

The papers listed below are available for download at (password: “incentives”):

<https://elearning.uni-regensburg.de/course/view.php?id=23249>

I. Contests and Tournaments: Theory

- **Topic 1 (R/H):** Theory

Core references: Konrad (2009, Ch. 2), Nitzan (1994)

Add. references: Lazear and Rosen (1981), Tullock (1980)

II. Contests and Tournaments: Evidence from the Sports Sector

- **Topic 2 (H/R):** Golf

Core reference: Ehrenberg and Bognanno (1990a)

Add. references: Ehrenberg and Bognanno (1990b), Orszag (1994)

- **Topic 3 (R/H):** Running and Racing

Core reference: Azmat and Möller (2009)

Add. references: Lynch and Zax (2000), Becker and Huselid (1992)

- **Topic 4 (H/R):** Heterogenous Contestants:

Core reference: Brown (2011)

Add. references: Berger and Nieken (2010), Nieken and Stegh (2010), Sunde (2009)

III. Contracts

- **Topic 5 (R/H):** Biases in Contract Choice

Core reference: Della Vigna and Malmendier (2006)

Add. reference: O'Donoghue and Rabin (1999)

- **Topic 6 (H/R):** Contract Durations and Effort Incentives

Core reference: Stiroh (2007)

Add. references: Falk et al. (2007), Berri and Krautmann (2006)

- **Topic 7 (H/R):** Contract as Rent Seeking Devices

Aghion and Bolton (1987), Spier and Whinston (1995), Feess et al. (2015)

IV. The Role of Managers in Organizations

- **Topic 8 (H/R):** Managers' Impact on Organizational Performance:

Core references: Bertrand and Schoar (2003), Hentschel et al. (2014)

Add. reference: Lazear et al. (2014)

- **Topic 9 (R/H):** The effect of managerial change on team performance:
Core reference: Audas et al. (2002)
Add. references: Bruinshoofd and ter Weel (2003), de Dios Tena and Forrest (2007)
- **Topic 10 (H/R):** The role of team heterogeneity:
Core reference: Muehlheusser et al. (2015)
Add. reference: Höfler and Sliwka (2003)

V. Dysfunctional Reactions to Incentives

- **Topic 11 (R/H):** Manipulation in Sports Betting Markets
Core reference: Wolfers (2006)
Add. references: Diemer and Leeds (2013), Borghesi et al. (2010)
- **Topic 12 (H/R):** Match-Rigging
Core reference: Duggan and Levitt (2002)
Add. references: Dietl et al. (2010)
- **Topic 13 (R/H):** Favoritism under social pressure
Core reference: Garicano et al. (2005)
Add. reference: Sutter and Kocher (2004)

VI. Game Theory

- **Topic 14 (R/H):** Mixed Strategies
Core references: Chiappori et al. (2002)
Add. references: Coloma (2007), Bar-Eli et al. (2007), Gibbons (1992), Tadelis (2013)

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