Milestones in the Economics of Sport

Economics Of Sport · Answer Key · 8 Questions

1. Which major professional sports league in North America was the first to implement a salary cap in an attempt to control player costs and ensure competitive balance?

A) National Football League (NFL)
B) National Basketball Association (NBA)
C) Major League Baseball (MLB)
D) National Hockey League (NHL)

2. The 'reserve clause' was a significant legal and economic construct in early professional baseball that effectively bound players to their teams. What year did the reserve clause officially end in Major League Baseball, leading to free agency?

A) 1920
B) 1975
C) 1994
D) 2001

3. The concept of 'economies of scale' is crucial in sports stadium development. Which city is widely credited with pioneering the construction of the first purpose-built, multi-purpose modern stadium designed for a single professional sports team?

A) New York
B) Chicago
C) Boston
D) Philadelphia

4. The advent of television broadcasting dramatically impacted sports economics. Which event is often cited as the first major sporting event to be broadcast nationally on television in the United States?

A) The 1936 Berlin Olympics
B) The 1947 World Series
C) The 1958 NFL Championship Game
D) The 1968 Super Bowl

5. The 'CBA' (Collective Bargaining Agreement) is a cornerstone of labor relations in professional sports. The first comprehensive CBA between owners and players in a major US sports league was established in which league?

A) NHL
B) NBA
C) NFL
D) MLB

6. The 'Bosman ruling' in European football had a profound impact on player transfers and labor mobility. What year was this landmark ruling by the European Court of Justice made?

- A) 1985
- **B) 1995**
- C) 2005
- D) 2015

7. The development of sophisticated sports analytics and sabermetrics has revolutionized how teams operate. Which baseball statistic, popularized by Bill James, is considered an early and influential example of this analytical shift?

- A) ERA (Earned Run Average)
- B) WHIP (Walks plus Hits per Inning Pitched)
- **C) OPS (On-base Plus Slugging)**
- D) WAR (Wins Above Replacement)

8. The privatization of sports entities, moving from public ownership to private enterprise, has been a trend in many sports. What was the first major professional sports team in North America to be publicly traded on a stock exchange?

- A) Boston Celtics
- B) New York Yankees
- **C) Green Bay Packers**
- D) Toronto Maple Leafs