

Economics of sports

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An economic evaluation of the Moneyball Hypothesis by Jahn K. Hakes and Raymond D. Sauer is a journal analyzing Micheal Lewis' book, Moneyball. The book faced criticism from economists and baseball insiders (Rosner & Kenneth, 361). The research question authors want to address is whether the assessment of skills for baseball players' market was revoltingly ineffective as stated by Lewis in his book (Hakes & Sauer, 173). The methods used in examining the research question include theoretical and empirical approaches. The theoretical approach is used since the method involves a theoretical system that analyzed reasons why baseball players' market failed to be productive. On the other hand, empirical approach is used since the method involves existing elementary econometric tools and data that determines the progress of market for baseball players to determine the research objective. The core conclusion the authors reached in their research is that baseball players' market was ineffective in the beginning of 21st Century because of improper evaluation of aptitude and skills.

The paper assists field of sports economics in perfecting the mispricing of skillfulness through the assistance of statistical knowledge across decision making units of a specific game (Hakes & Sauer, 184). A further significance of the paper is that it edifies sports management on effective ways of managing finances and paying players satisfactory. The thing they did exceptionally well is stating ways field of sports economics can maximize their profits and advance their performance (Rosner & Kenneth, 361). The biggest criticisms of the paper include; failure to find effective methods of

collecting data for the research; and the demography used was ineffective in explaining the main idea put across since some contradicted. In addition, the paper focused only on singular sport rather than using other sports to find apt solution for the research question. Lastly, the authors would have included an effective way of conducting an resourceful research by including methodology, results, discussion, and recommendation on the hypothesis.

Works Cited

Rosner, Scott, and Kenneth L. Shropshire. *The Business of Sports*. Sudbury, MA: Jones &

Bartlett Learning, 2011. Print.

Hakes, Jahn and Sauer, Raymond. Economic Evaluation of the Moneyball Hypothesis. *Journal of Economic Perspectives*. (2006). Vol. 20(3) Pg. 173–185.