

INTRODUCTION

Let us begin with a confession: We are both sports fans and economists and, as a result, our worldview is curiously schizophrenic. Sports are an emotion-laden pastime by nature. Like all fans, we enjoy the old “thrill of victory and agony of defeat.” We “root, root, root for the home team,” hate the “damn Yankees,” and “just wait until next year” with the best of them. But as economists, we put aside these emotions and assume that cool rationality rules the world. (Even as economists, we know that this is not entirely true. But, this lens has proven useful to in our professional lives.) Our eyes are open. We see that reason can get us only so far as we seek to understand how the sports industry works. As the old Sioux grandfather, played by Chief Dan George, in the movie *Little Big Man* said, “Well, sometimes the magic works. Sometimes it doesn’t.” But when it doesn’t, the failure of rationality can still point us in the direction of better explanations.

We wrote this book because the economists in us began to see that many preconceived and deeply emotional notions in sports are simply not true. And upon further consideration, we began to see that these “misunderstandings” actually hinder the games we love. When we realized that these wives’ tales were not only plain wrong but also a drag on sports fans, players, and the industry alike, we had to do something. Also of a sudden, we found ourselves in a new role—that of myth busters. Myth busters typically approach their targets by pointing out how a belief, previously held dear, is simply incorrect. However, in our opinion, this approach doesn’t go far enough. We also try to explain how these beliefs exemplify some ideology (that college sports leach off of universities), or serve the interest of specific

people and institutions (a team owner or franchise, for instance). Going to this next level leads to penetrating insights about a myth. And then, we can use economic analysis to examine the motives behind these ideals and institutions.

Since 2007 we've been paring down a list of the most egregious myths in sports—by our account—to present to you with a systematic examination of the worst offenders. As you join us on a tour of the juiciest misconceptions, you'll discover incorrect, but popular, beliefs and will come to see them for what they are: tall tales. But the buck doesn't stop there. This exercise begs for more, and our aim is not only to tell you who is served by each myth but also to provide an explanation of how that party is served by its perpetuation.

In *The Power of Myth*, Joseph Campbell emphasizes how myths invite us all to the table: they provide a common underpinning, a force that works to unleash the mystical part of ourselves. But modern folks tend to go overboard, forgetting that myths are also fabrications that belie the facts. And therein lies a real danger of relying on myths when they do us (or our beloved sports) harm. Bluntly, some people gain power over others by wielding mighty myths. The world is tough and unfair, yes. But we don't have to take all the licks.

We needn't accept college and professional sports myths as they are, time and again, foisted on sports fans and taxpayers. And we hope to show you a handful of instances in which you can plainly see that the emperor has no clothes. But first, a question worth asking is, What do these myths have in common? Sports myths substitute intuitive appeal for a rigorous and more informed explanation of the issue or process at hand. In the "hot" and intense context of the game, few stop long enough to cease watching the plays and apply this kind of thinking. But, of course, careful thought and the application of analytical techniques typically bust myths. Second, as we have suggested, sports myths can serve the interests of those perpetrating the myth at the expense of those who, once enlightened, would abandon the myth and all of its associated baggage. So every one of these myths has a champion—and that person, group, or goliath fans its fire for their benefits. It is not so easy to break free from these myths until we stop to consider

them critically. Many, in fact, are passed down over generations. But it is our hope that the end is near for some sports myths, thanks to this book.

We see the collections of misconceptions that follow as breaking down in a few ways. In all but a few chapters of our book, (1) each myth and the source of its power are identified; (2) each myth is busted by applying the scrutiny of economic thinking; and (3) those whose self-interests are served by the myth are identified, indicating who gains by the power of these myths. In the rest of the chapters, where we think the power of the myth has yet to manifest itself, we present the myth and the misunderstanding behind it, clear it up with economics, and suggest why dispelling it is important. We chose the myths purposefully to satisfy these aims. We also believe that these are the most important myths and that more productive discourse about sport policy will be facilitated by their busting.

The first section of the book contains seven college sports myths. The primary beneficiaries of these myths are university administrators, including directors of intercollegiate athletic departments, and the denizens of the National Collegiate Athletic Association (NCAA). Most of the college myths gain their traction because nobody stops to look for just a minute at the relationship between university administrators and the directors of their intercollegiate athletic departments. Partly, this is because they are fans rather than analysts. Partly, this is because universities are quite different from other organizations; most are more used to thinking about sports based on profits, and that is not the goal of athletic departments. Indeed, one of the most often heard charges leveled against college sport is that it doesn't "show a profit," or that the vast majority of athletic departments operate "at a loss." This is simply wrong-headed from the outset, since college sports are *not* about profits. They *are* about the objectives of those in charge of universities—namely, top-level administrators like the board of regents and the university president. Starting from that perspective is at least grounded in the truth of the matter and, we think, the reader will see just how powerful the truth can be.

In the second section of the book, we cover eight professional sports myths. The primary beneficiaries of these are reporters, franchise owners, and, ultimately (though a bit indirectly), players. Exposing the myths also

exposes the self-interested justifications that actually explain their perpetration. Similarly to the college case, many of these myths prevail because the objectives of owners or league may not be fully understood. In the pro case, we see that all roads lead back to profits, the profit motive, and really basic economic principles for our observations. In addition, most fans and observers don't have the time or incentive to analyze the data to see what actually does lead to higher profits.

There are plenty of other myths out there, but our fifteen have staying power and pose a real threat if they are not dispelled. These are not the myths du jour, this season's news, but rather misconceptions that haunt the world of sports year in and year out—and that are presented as such. If you read the myths that follow from front to back, you are sure to notice some themes that repeat. We don't mean to nag, but we do want you to see the patterns in these classic pitfalls. Those perennial thorns hold power, and we'd be remiss if we didn't underscore them for you. Alternatively, we invite you to read these myths one by one. They are presented in a straightforward and serialized fashion—knowing that you might pick up and put down this book during March Madness, spring training, football season, the World Series, and the bowl games—hoping to spread the word about the misconceptions that we share with fellow fans.

As Mark Twain said, “It ain't what you don't know that gets you into trouble. It's what you know for sure that just ain't so.” As fans, economists, and myth busters, we want the truth. We think you deserve it. And we hope that you find our approach to seeking it as insightful and valuable as we have.