

Sport Economics and Sport Finance

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Introduction

All papers considered in this section of the digest come from issues dated in the year 2025 and were published in the pre-selected journals. Of these journals, two are exclusively dedicated to sport economics-related research, the *Journal of Sports Economics* (JSE), which is the official Journal of the *North American Association of Sports Economists* (NAASE) and the *International Journal of Sport Finance* (IJSF), which is the official journal of the *European Sport Economics Association* (ESEA). Furthermore, sport economics research is regularly published in four sport management journals, the *European Sport Management Quarterly* (ESMQ), the *Journal of Sport Management* (JSM), the *Sport Management Review* (SMR) and the *Journal of Global Sport Management* (JGSM). The following list provides a summary of eighty-one identified papers covering sport economics-related research that have been published in any of these seven journals, from issues dated January through December 2025:

JSE (V26 Issues 1-8): 40 papers, with all 40 covering sport economics-related research,

IJSF (V20 Issues 1 - 4): 16 papers, with all 16 covering sport economics-related research,

ESMQ (V 25 Issues 1-6): 50 papers, with 9 covering sport economics-related research,

JSM (V39 Issues 1- 6): 29 papers, with 3 covering sport economics-related research,

SMR (V28 Issues 1- 5): 38 papers, 6 covering sport economics-related research,

JGSM (V10 Issues 1- 4): 32 papers with 7 covering sport economics related research.

The eighty-one sports economics-related papers are classified in seven categories:

Labor markets (such as league restrictions on player mobility; player and coach hiring, dismissal and contracts, performance and incentives; transfer markets; salary determinants; discrimination): 19 papers.

Performance Analysis (such as effects of home advantage, tournament effects, and behavioral sport economics, such as the effect of travel, training techniques, etc. on performance): 11 papers.

Demand for Sport (the determinants of stadium attendance, TV viewing): 16 papers.

Sport and Vice (financial analysis of sports gambling markets, effects of law and policy on sports wagering, doping and sport outcomes): 9 papers.

Finance & Ownership (such as the financial returns to investment sport, sport and financial markets, public finance and the economic impact of sports): 22 papers.

Miscellaneous: (other not classified topics): 4 papers.

Journal of Sport Economics Special Issue: James Quirk and the Economics of Combat Sport, Volume 26 (2), February 2025

The academic disciplines of sport management and sports economics are relatively novel, and in many cases, the original writers and researchers are still active, many still in their prime. Consequently, it is unusual to observe postmortem honours to the pioneers in our fields. Nonetheless, the *Journal of Sports Economics* devoted a special issue honouring the noted economist James Quirk, who passed away in June 2020.

James (Jim) Quirk was one of the most important writers and researchers on sport economics from its formative years through the time it became recognized as a legitimate field within economics and adjacent to sport management. Professor Quirk is deceased as of 2020, yet his legacy as a formative sport economist is undeniable. Jim' Quirk's contributions to the field of economics and sub-discipline of sports economics span almost half a century, and he can rightly be considered one of the architects of sports economics.

Quirk's first published sports economics paper, "An economic model of a professional sports league" co-authored with Mohamed El-Hodiri in 1971, remains

perhaps the most important paper on the unique economics of team sport leagues. The paper, according to *Google Scholar* has been cited more than 900 times and, along with Rottenberg's (1956) and Neale's (1964) papers, is foundational to the discipline of sports economics.

Jim's long association with the noted sports economist Rod Fort is rich with some of the most important and highly cited sport economics publications to date. The Quirk and Fort collaboration began in the 1980s at Cal Tech where Fort was Quirk's PhD student and continued through and after Jim's retirement. Quirk and Fort collaborated on the distinguished sport economics books *Pay dirt: The business of pro team sports* (1992), and *Hardball: The abuse of power in pro team sports* (1999).. They also co-authored the important literature review and analysis in 1995, "Cross-subsidization, incentives, and outcomes in professional team sports leagues", published in the *Journal of Economic Literature*, among many other papers and book chapters listed by Fort (2025).

Fort contributes a chapter to the special issue titled James Patrick Quirk: An Academic Obituary. Here, he reviews many of Jim's most important papers and details their relationship, which has had a profound effect on the study and analysis of the economics of sports. As an aside, Professor Fort was the doctoral advisor of this writer. Thus, James Quirk was essentially my academic grandfather. I owe much to both James Quirk and Rod Fort.

Last, as Robert Butler points out in his fine introduction to the special issue, Quirk was perhaps the first economist to consider the economics of "combat" sports. In Quirk's Day combat sports primarily focused on boxing. However, the ever-increasing popularity of mixed martial arts and related sports in the 21st century is drawing more interest from sports economics and sport management researchers. As Butler maintains, Quirk's 1978 working paper "Economic Policy Analysis of Boxing, Wrestling, and Karate: A Data Management System for the California State Athletic Commission", is probably the first sole-focused exploration into the economics of combat sports. Likewise, a second paper in 1981 "The Economics of Boxing Regulation in California" focused only on boxing and explored regulation and the impact that regulatory rules had on the welfare of athletes and the competitive performance of the boxing industry. Three additional papers in the special issue represent new economic research on combat sports. These papers include Anderson (2025), who considers evidence of

compensating pay differentials for the risk of reinjury in boxing. Watanabe et al. (2026) who evaluate the rise in popularity of mixed martial arts and its effect on the demand for boxing. And Butler et al. (2026) who evaluate the impact of uncertainty of outcome on the demand for boxing telecasts.

Annotated Bibliography

1. Anderson, Peter. (2025). Compensating Differentials for the Risk of Reinjury – Lessons from Professional Boxing. *Journal of Sports Economics*, 26 (2), 148-171.

Abstract

A neglected area in the compensating-differential literature is how wages compensate workers for the risk of reinjury, specifically the risk of a subsequent mild Traumatic Brain Injury (mTBI). Using a new, unbalanced panel of 1,211 professional boxers, this paper finds that boxers' purses price for the risk of knockout reinjury risk while those that have never lost by knockout earn economically and statistically insignificant knockout-risk premiums. These results are consistent across three measures of previous knockout loss and three robustness tests, implying that current values of a statistical injury (VSI) underestimate previously injured workers' willingness to pay for safety.

2. Butler, David, Butler, Robert, Maxcy, Joel., & Woodworth, Simon. (2025). Outcome Uncertainty and Viewer Demand for Basic Cable Boxing. *Journal of Sports Economics*, 26 (2), 196-213.

Abstract

We examine the uncertainty of outcome hypothesis and consider direct demand for professional boxing using a new dataset for basic cable broadcasts. Our analysis covers 103 broadcasts in the United States from February 2017 to February 2021 for Premier Boxing Champions (FOX) and Top Rank Boxing (ESPN). Using a generalized linear model, we estimate a demand function for basic cable broadcasts and place specific emphasis on adopting alternative measures of outcome uncertainty. We find no evidence that increasing balance between boxers increases viewership figures on basic cable broadcasts. Consistent with pay-per-view boxing viewership, our results demonstrate that bout quality impacts demand for cable broadcasts. Furthermore, we find no

evidence of a declining viewership trend, a finding relevant to the industry given the general decrease in viewership trends for main events and pay-per-view broadcasts. Fans continue to demonstrate a preference for the welterweight division.

3. Butler Robert. (2025). An Introduction to the James Quirk Special Issue and the Economics of Combat Sport. *Journal of Sport Economics*, 26 (2), 135-138.

Abstract

The purpose of this special issue is two-fold. Firstly, it is a celebration of the contributions and life of James (Jim) Patrick Quirk. Jim's contributions to the field of economics and sub-discipline of sports economics span almost half a century, and he can rightly be considered one of the forefathers of the subject. The second is to consider an area that, to date, has received little attention in sports economics and is deserving of greater exploration – combat sport.

Appropriately, two of the earliest working papers considering combat sport were co-authored by Jim Quirk, and therefore, it is fitting that this area is explored in the realization of this special issue.

4. El-Hodiri M., Quirk J. (1971). An economic model of a professional sports league. *Journal of Political Economy*, 79, 1302–1319.

Abstract

This paper investigates the economic structure of professional sports to determine the extent to which the current operating rules justify exemption of professional sports leagues from some aspects of antitrust statutes. We construct a formal decision-making model incorporating certain fundamental features of the industry. Within the context of the model, we find that, under current rules of operation, equalization of playing strengths is generally not consistent with profit maximization by teams. However, we suggest a rule that guarantees convergence to a path of equal playing strengths under decentralized control of teams. As an example, we study baseball leagues. Some refinements of the model are introduced, for example, incorporating time lags and training costs that result when teams train their own players.

5. Fort, Rodney F. (2025). James Patrick Quirk: An Academic Obituary. *Journal of Sport Economics*, 26 (2), 139-147.

Abstract

The work summarizes the contributions of James (Jim) Patrick Quirk to the field of economics, and sub-discipline of sports economics. It also provides a personal account of Jim Quirk as both a mentor and friend.

6. Watanabe, Nicholas., Soebbing, Brian, Chahardovali, T., & Huang, Y. (2025). The Emergence of Mixed Martial-Arts and the Future of Boxing: An Analysis of Consumer Interest and Compensation. *Journal of Sports Economics*, 26 (2), 172-195.

Abstract

Despite its long-standing history as the most popular and mainstream combat sport, boxing has been confronted with increased competition from mixed martial arts (MMA) in recent decades. The dominant organization in the MMA market, the Ultimate Fighting Championship (UFC), has grown to become a multibillion-dollar organization. In this article, we directly compare consumer interest and fighter compensation between boxing and the UFC to consider the economic potential for these combat sports into the future. Overall, our conclusions indicate that boxing has continued to be more lucrative as a whole, with the key factor being the presence of superstar athletes.

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