



Americans — including the team at the CEA — love sports. But in America, team owners have figured out that they can use our love for our favorite teams to get millions or even billions of dollars of public money out of state and local politicians to fund their new stadiums.

They claim that stadium subsidies are justified because they provide economic benefits to the communities where they're built. But in reality, stadiums are terrible economic development tools.

They sit empty for most of their lives, coming to life for a few hours on gameday and then going dark and silent again for days, weeks or even months at a time. This makes them virtually worthless when compared to other businesses that are open for more than a few hours at a time, during a few months of the year.

Consider the simple fact of how many customers are walking through team's doors in a season:

- A busy Major League Baseball stadium will serve about as many customers in a season as a single Walmart Superstore.
- An NFL team welcomes about as many customers a year as an average American supermarket does.
- NBA or NHL teams might serve as many customers as two decent-sized gas station convenience stores do in a year.
- Minor-league teams' attendance might rival something like a single coffee store's customer count.

(New: [Find out more about these comparisons here.](#))

The same holds true for “job creation.” Unlike jobs at most other kinds of businesses, sports stadium jobs are overwhelmingly seasonal and part-time because stadiums are only open on a

seasonal, part-time basis. Stadium jobs tend to be second jobs or side gigs, not someone's main source of employment.

It's also important to realize that sports compete with other local businesses for consumers' entertainment dollars, rather than creating "economic development" out of thin air. **People in cities without pro sports teams don't just sit home and do nothing.** Rather, they go out and spend their entertainment dollars on other things that create jobs and economic activity. This is why team owners' claims of economic development ultimately end up falling through: They generally assume that all the money spent at the stadium wouldn't be spent elsewhere, in but real life **a dollar spent by a fan at a subsidized stadium is a dollar they're not spending at some other business in the community.**

The evidence against stadiums' economic benefits is so simple and clear that it's hard to find anything that economists agree about more: In 2017, the University of Chicago's Booth School asked [some of the world's most eminent economists](#) whether subsidized sports stadiums are likely to cost taxpayers more than they return in benefits. The panel – which included an incredible **seven Nobel Prize winners in economics** – was virtually unanimous in its skepticism with 83% agreeing that stadium subsidies aren't worth the cost, 11% not sure and just 4% in favor of them.

Yes, sports play a powerful role in our culture and an important part of many people's lives. But the reality is that they're simply not a major economic factor in our cities and we should stop treating them like they are.

Pro sports teams in virtually every other country manage to pay for their own stadiums without help from taxpayers. It's time to tell America's team owners to do the same damn thing.

Want your own "Pay for Your Own Damn Stadium" sticker? [Contact us](#) and include your mailing address and we'll send you some for free.

The Center for Economic Accountability on Stadium Subsidies:

- *Tampa Bay Times*: [Stadium subsidies are bad deals for communities like St. Petersburg](#)
- *The Hill*: [Let voters decide on stadium subsidies](#)
- *National Review*: [Stop Subsidizing Stadiums](#)
- *Nevada Independent*: [Give voters the final say on baseball stadium subsidies](#)
- *Washington Times*: [Taxpayers line up to be sacked by the Washington Commanders](#)
- CEA Blog: [Jaguars' Stadium Proposals Ignore Economic Reality](#)
- *Baseball Prospectus*: [MLB's Lockout Makes Stadium Subsidies Even Worse Deals Than Before](#)
- CEA Blog: [Don't Let Economic Impact Claims Distort the Progressive Field Stadium Subsidy Debate](#)
- *Providence Journal*: [Subsidizing a soccer stadium would be a bad bet for Pawtucket](#)
- *Buffalo News*: [Keep emotions out of Buffalo's soccer stadium debates](#)
- *The Hill*: [States: Stop subsidizing these 3 dumb things](#)

- *Cleveland Plain Dealer*: [Public subsidies for sports venues like Rocket Mortgage FieldHouse just aren't worth it](#)
- *St. Louis Post-Dispatch*: [Emotion defeats common sense in St. Louis's MLS stadium deal](#)
- *Indianapolis Star*: [Indy's proposed soccer stadium deal unfriendly to taxpayers](#)

Field of Schemes on Stadium Subsidies

For great news reporting and insight on stadium subsidies from across the country, check out the excellent [Field of Schemes blog](#) run by long-time expert Neil deMause or [follow them on Twitter](#).

Expert Research on Stadium Subsidies:

Abbiasov, Timur and Sedov, Dmitri (2023)

[Do local businesses benefit from sports facilities? The case of major league sports stadiums and arenas](#)

Regional Science and Urban Economics

“We find that 100 baseball stadium visits generate roughly 29 visits to nearby food & accommodation businesses and about 6 visits to local retail establishments. While the estimates for football stadiums are comparable, basketball & hockey arenas do not appear to generate significant spillovers for the surrounding businesses.”

Bradbury, John Charles; Coates, Dennis and Humphreys, Brad R.

[The Impact of Professional Sports Franchises and Venues on Local Economies: A Comprehensive Survey](#)

“First, and perhaps most important, nearly all empirical studies find little to no tangible impacts of sports teams and facilities on local economic activity, and the level of venue subsidies typically provided far exceeds any observed economic benefits. In total, the concurrence of research findings demonstrates that sports venues are not an appropriate channel for economic development policy.”

“[E]ven where positive relationships are observed, estimated benefits tend to be insufficient to justify the level of subsidies provided.”

“The scale is tipped so heavily against the desirability of stadium projects in improving resident welfare that additional studies are unlikely to have further influence beyond confirming what is already known to researchers in the field.”

“Overall, consensus findings from economic studies demonstrate that public subsidies to fund sports stadiums and arenas do not pass a cost-benefit test.”

HARGER, KAITLYN; HUMPHREYS, BRAD R. & ROSS, AMANDA

[DO NEW SPORTS FACILITIES ATTRACT NEW BUSINESSES?](#)

JOURNAL OF SPORTS ECONOMICS

“We find no evidence of any effect, positive or negative, of new sports facilities on new businesses around these facilities.”

“An analysis of industry-level data does not uncover any specific patterns of new business openings or increased new employment at new businesses after the opening of a new sports facility.”

“Opening a new stadium or arena does not appear to generate new business formation in nearby locations.”

COATES, DENNIS & HUMPHREYS, BRAD. (2008)

DO ECONOMISTS REACH A CONCLUSION ON SUBSIDIES FOR SPORTS FRANCHISES, STADIUMS, AND MEGA-EVENTS?

ECON JOURNAL WATCH

“The evidence reveals a great deal of consistency among economists doing research in this area. That evidence is that sports subsidies cannot be justified on the grounds of local economic development, income growth or job creation, those arguments most frequently used by subsidy advocates.”

“There now exists almost twenty years of research on the economic impact of professional sports franchises and facilities on the local economy. The results in this literature are strikingly consistent. No matter what cities or geographical areas are examined, no matter what estimators are used, no matter what model specifications are used, and no matter what variables are used, articles published in peer reviewed economics journals contain almost no evidence that professional sports franchises and facilities have a measurable economic impact on the economy.”

“The large and growing peer-reviewed economics literature on the economic impacts of stadiums, arenas, sports franchises, and sport mega-events has consistently found no substantial evidence of increased jobs, incomes, or tax revenues for a community associated with any of these things.”

SIEGFRIED, JOHN, J., AND ZIMBALIST, ANDREW. (2000)

THE ECONOMICS OF SPORTS FACILITIES AND THEIR COMMUNITIES

JOURNAL OF ECONOMIC PERSPECTIVES

“Few fields of empirical economic research offer virtual unanimity of findings. Yet, independent work on the economic impact of stadiums and arenas has uniformly found that there is no statistically significant positive correlation between sports facility construction and economic development.”

“The conclusion that sports teams and facilities do not stimulate economic growth is surprising to many people. With live telecasting of games, daily coverage on television news and in the sports sections of newspapers, professional sports play a huge role in U.S. culture. Yet sports teams are small businesses. Yearly average team revenues in 1999 are around \$55 million in the NHL, \$75 million in the NBA, \$85 million in MLB and \$100 million in the NFL. For a medium-size city like St. Louis, the baseball team accounts for less than 0.3 percent of local economic activity; for a large city like New York, a baseball team contributes less than 0.03 percent of economic output.”

“Sound businesses move in search of a more qualified or less expensive labor force, a convenient location for inputs or sales, a good infrastructure, a sound fiscal environment with amenable tax policy, attractive government services, and appealing cultural opportunities. The latter may include

the quality of the local theater, opera, symphony, parks, art museums, hospitals, public schools, universities or sports teams. If the first half dozen or so items are equivalent between two cities, then the business may look at cultural amenities and within them may consider sports. It does not seem plausible that the presence or absence of sports teams would be a decisive location factor for more than a few companies. There is no systematic evidence that business relocations follow sports teams.”