

## Commentary: Enough madness: Just pay college athletes



It's time for the NCAA to start paying its athletes. (Keith Srakocic / AP)

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As we approach March Madness, one wonders what it would take to knock the semiprofessional college sports behemoth off its financial and cultural perch.

This century has already seen both the best and worst of times for the [National Collegiate Athletic Association](#). Robust television revenues for football and men's basketball, a new football playoff system and seven-figure compensation packages for college coaches — [Nick Saban](#), [Urban Meyer](#), [Mike Krzyzewski](#) and [John Calipari](#) — attest to the popularity and financial vitality of the college game.

On the other hand, the NCAA has experienced numerous high-profile scandals among players and coaches, revelations of academic fraud and gross improprieties involving faculty and university administrators at otherwise well-respected institutions, and is now the defendant in several legal challenges that threaten to undermine this uniquely American enterprise drastically.

Most American universities field various men's and women's intercollegiate sports teams. Since all but a handful of these programs lose money in a strict accounting sense, one must ask why universities continue to subsidize athletics from mandatory student fees, scarce general institutional funds, public monies from state governments and contributions solicited from alumni and well-heeled donors that might be directed instead toward reducing the seemingly perpetual escalation of tuition costs.

Recent research shows that a school's success in intercollegiate athletics attracts more donations from alumni, but the amounts are meager. Other studies find that the presence of high-profile athletic programs attracts additional tuition-paying students, but this recruitment effect is modest and fleeting.

To control costs, the NCAA limits the remuneration that can be received by an intercollegiate athlete — a scholarship or grant restricted to room, board, tuition, fees, books and a few other expenses. Minimum age requirements in the National Football League and the [National Basketball Association](#) restrict employment alternatives available to prospective college athletes, giving the NCAA virtually total control over the labor market for players. The complicit professional leagues benefit, in turn, from foisting the training costs for their future players onto university budgets.

The NCAA's market power is not only reflected in far-below-market compensation for many of the better players, but also leads to inefficient overuse of this chief input through a steady expansion of regular and postseason games and long training hours for athletes.

The issue is not whether college athletes should be paid. Apart from a few walk-ons, most of the players are already compensated via scholarships or grants that cover most of their expenses. "Amateur" should not be defined by whether one is paid but, more sensibly, by the nature of the relationship between the player and his institution. The issue is that through the NCAA our nation's universities collectively cap their players' compensation, which in other businesses would violate Section 1 of the Sherman Antitrust Act, a criminal offense.

The compensation ceiling limits benefits that otherwise would accrue to the more talented collegiate football and men's basketball players, many of whom are African-Americans from low-income households.

In contrast to the collegiate labor market, labor negotiations in the NFL or NBA consist of team representatives and a battery of lawyers on one side of the table facing players, their union representatives, agents and attorneys on the other side. Perfect competition this is not, but a fair fight it arguably is. In the current collegiate environment, on one side of the virtual table are the athletic director, head coach, the NCAA and legal expertise, while on the other side is a 17-year-old kid with his financially struggling mom. It's easy to predict the outcome of that contest.

The bountiful revenues flowing to NCAA members and the relative pittance going to the players, who are the people most responsible for generating those revenues, has created growing unease in the court of public opinion. In an effort to stay one town ahead of the sheriff, the NCAA recently made modest concessions to what is allowable compensation in "power conferences," including unrestricted meal plans, multiyear scholarships and covering other incidental costs for players. But these changes fall well short of competitive labor market compensation.

As several lawsuits involving various aspects of NCAA control play out, it seems unlikely that the future landscape of big-time intercollegiate athletics will resemble the current incarnation that transfers massive resources from young, poorly represented minorities to the paychecks of coaches and athletic directors who are paid well above what they likely would make if the athletes were compensated reasonably for their services as players.

About a century ago, college sports dispensed with volunteer — "amateur" — head coaches and welcomed a free market for their team leaders. Forty years ago, professional sports leagues opened up their restricted labor markets, moving from league control of players to a more balanced system as players gained economic power via court decisions and unionization.

Major social movements in this country — civil rights, abortion, gay rights and same-sex marriage — have followed evolutionary paths. We expect to see similar accommodations on the collegiate front soon. It is now time to end the price-fixing that restrains compensation for college athletes. It would be refreshing for a change not to have opponents always be dragged kicking and screaming into court. But as coaches are fond of saying to their players in the locker room: Whatever it takes.

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