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YOUR VIEW

City's ROI on the NFL draft? Hardly worth measuring

By: ALLEN R. SANDERSON



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Time and time again, mayors and local officials think that they can bring glory and a boatload of cash to their cities by luring a national or international activity or entity. Fat chance. Whether the dealer on the other side of the card table is a Hollywood studio interested in filming in the area, a CEO seeking to relocate company headquarters, a political party looking for the site of its next national convention, the owner of a sports franchise wanting to upgrade or trade in a facility on a new one, or the International Olympic Committee peddling future games, the smart money is on the seller. It's hard to fleece a ruthless, savvy monopolist.

Fast forward: The issue is the 2015 National Football League draft at the end of April, and the location is Chicago—Grant Park and the Auditorium Theatre. If the NFL wants to pay the rack rate for everything and cover the opportunity cost to the Auditorium Theatre, police department and other civic budgets, then sign 'em up. But when we have to bear the upfront and backend costs, it is far less appealing.

One standard talking point is that no public money will be used. But someone is paying the freight to the NFL or underwriting Choose Chicago. The same bogus argument was made when we spent \$80 million on our failed Chicago 2016 Olympics bid. Any private money donated for that cause or this one, whether from a well-heeled citizen or a business, largely is money that could have gone toward an after-school program, a new activity at a museum or another civic amenity. Any funds spent on expenses incurred for this NFL activity had to come from somewhere and could have gone to something else. There is no free lunch or draft.

The second complementary selling point is “jobs, jobs, jobs.” Whether it's the Chicago marathon or a Soldier Field concert, aren't people hired to take tickets, handle setup, sell beer, manage traffic and sweep up afterward? Yes. For maybe 20 hours total over a week.

WHERE'S THE ECONOMIC IMPACT?

The third argument—look at all that spending for hotels, food and taxis—ignores the fact that very little of the hotel revenue actually stays in the local area, and residents, who are overwhelmingly the ones who will participate in draft-related functions, would have spent an equivalent amount of time and money at our restaurants, bars and malls. Of our five major professional sports franchises, only the Cubs have a significant economic impact because they draw crowds from beyond our borders; the other four don't.

The NFL draft is the smallest of economic potatoes in this regard. It ranks right in there with other made-for-TV reality shows—“American Idol,” “The Bachelor,” “Survivor”—where location doesn't matter. There is not an instrument sensitive enough to measure just how small the economic impact is on the host city. But it is our consolation prize from the NFL for never awarding a Super Bowl to Chicago.

Bottom line: Do we have to make money on everything? Of course not. Privately we spend money on dogs, boats and our teenagers simply for pleasure. Publicly we provide a plethora of social amenities, most of which drain coffers. But it's just a matter of how much money you want to lose to throw a block party for the NFL. If everything goes well—no snow, no large organized protest of some ancillary movement (“Fight for Fifteen,” “Black Lives Matter”)—this event is bound to be a modest plus for our great city.

But don't try to sell it on economic grounds as a great return on investment; it won't be.

Allen R. Sanderson teaches *economics* at the University of Chicago. He is co-author of a winter 2015 *Journal of Economic Perspectives* article, “The Case for Paying College Athletes.”