As evidenced by the plethora of scholarly articles and books on college sports reform, there can be little doubt as to the disingenuous, tax-avoiding nature of bigtime collegiate athletics -- especially in the football and men’s basketball programs franchised by the National Collegiate Athletics Association. Unless Congress gets involved, America’s system of higher education will continue to be held hostage to the professionalized collegiate sports entertainment industry. Sadly, this system includes many of our Catholic schools, which, rather than being leaders in college sports reform, have been willful participants in this money-focused, win-at-any-cost industry.

There has been a growing sense of frustration among reform-minded faculty over the lack of bipartisan follow-up in Congress on the strong effort of retired Rep. Bill Thomas, R-Calif., the 109th Congress’ House Ways and Means Committee chairman, to have the NCAA provide justification for its tax-exempt status. Also contributing to this sense of frustration are the political obstacles faced by Sen. Charles Grassley, R-Iowa, past chairman and now ranking member of the Senate Finance Committee, in his effort to significantly improve the transparency, accountability and oversight of the NCAA’s operations. It was Grassley who once said: “Big money, tax-free and no oversight have created a cesspool in too many cases.”
Perhaps the time has come

However, today’s financial crisis could very well precipitate a dramatic shift away from the federal government’s laissez-faire “oversight” of America’s financial system and business enterprises. The turmoil on Wall Street, along with seized-up credit markets, shrinking endowments and reductions in state funding, is shaking the financial foundation of higher education. Adding to the problem is a stealthy byproduct of bigtime college athletics programs that comes in the form of debt incurred via enormous investments in football stadiums, basketball arenas and academic centers for athletes, all of which are part of the runaway athletic-facilities arms race.

There are striking parallels between the uncontrolled, greed-driven, anything-goes operations and excesses on Wall Street, with its misrepresentation of material assets in the form of disadvantaged financial instruments, and those in the NCAA’s college sports business, with its misrepresentation of material assets in the form of disadvantaged academic instruments -- so-called student-athletes. In articles exploring the roots of America’s financial crisis, there has been a mantra-like repetition of transparency, accountability, oversight as a path to help ensure business integrity. This could very well mean more intense scrutiny and rule-setting to curb excessive commercialization and corruption in college sports.

In the near term, sporting events sponsored by the NCAA will serve as convenient distractions -- diverting the public’s attention from our nation’s economic woes. In the long term, congressional scrutiny of the tax-exempt status of the NCAA and its franchisees could explode the student-athlete myth and thus have a negative impact on the professional level of play in their bigtime athletic programs -- forcing the NBA and the NFL to operate their own minor leagues.

With few exceptions, America’s colleges and universities are deteriorating while on a government-subsidized quest for sports-related revenues -- abandoning their souls, compromising their integrity and warping their academic missions. Unfortunately, there are no visible means to reverse what appears to be a downward spiral into a pervasive beer-and-circus modus operandi at these institutions. This scenario and its potentially catastrophic consequences are either invisible to or ignored by the general public as well as those in the highest circles of the U.S. government.

There is little public outrage over drugs and corruption in college sports -- likely a combination of public apathy and the superb job done by NCAA public relations. In the end, tolerating cheating in college sports via performance-enhancing drugs and academic corruption appears to be preferable to confronting the formidable resourced NCAA and its member institutions. As Stephen Ross, chairman of Penn State’s Sports Law Institute, has put it: “Congress only cares if the people they talk to care.” So, if their constituents aren’t complaining, they aren’t either.

Meaningful reform in collegiate athletics will certainly not be led by those with a vested interest in the status quo: the NCAA, college and university presidents, governing boards,
coaches, and athletic conferences. Similarly, experience indicates that the Knight Commission on Intercollegiate Athletics and the U.S. Department of Education, as well as state/regional accreditation boards, are not up to the task. Faculty-based, reform-minded organizations such as the the Drake Group and the Coalition on Intercollegiate Athletics can help lead the way, but simply do not have the wherewithal to confront the collegiate sports entertainment industry by themselves, without the help of Congress.

The tax-exempt purpose

The history of college sports reform tells us that no matter how compelling the arguments for corrective measures, market and political realities dictate that nothing of consequence will be done for a variety of reasons, not the least of which are an abundance of corrupting, tax-free money and related benefits at stake. Also, members of Congress -- like sitting school presidents -- want to keep their jobs, and so look the other way, separating what they think is right from what they think will work.

Consequently, the slow but sure decline of America’s educational system will continue, unless and until Congress restrains the growth of the professionalized college sports entertainment industry by forcing the NCAA and its member schools to comply with their tax-exempt purpose of keeping sports as “an integral part of the educational program and the athlete as an integral part of the student body” -- demanding measures of transparency, accountability and oversight that are adequate to this task. Since these measures strike at the very core of an enterprise built on myths and falsehoods that are best shrouded in secrecy, they would be strongly resisted by the NCAA, which would admit nothing and deny everything, but obfuscate and litigate if need be.

Under normal circumstances, it is most likely that Grassley’s congressional colleagues would simply continue to ignore the issue -- leaving him to stand alone in his effort to have the NCAA justify its tax-exempt status. Under this circumstance, reform would not come anytime soon, if ever, no matter how corrupt, disingenuous and debilitating the operations of the collegiate sports industry continue to be.

Reform not dead

In spite of this pessimistic view, reform is not dead, for these are definitely not normal times. Today’s epic financial crisis coupled with the rise of intense global competition may serve as a loud and compelling wake-up call for Americans at all levels to rise above their obsession with professional-level college sports entertainment -- coming to
understand that the continuation of this obsession would not bode well for the future of higher education in America as well as for America’s stature on the world stage. This understanding could pave the way for America’s colleges and universities to reprioritize their values -- making capital and human resource investments that place academics well above athletics.

The persistent efforts of Sen. Grassley and reform-minded faculty organizations such as the Drake Group and the Coalition for Intercollegiate Athletics could help catalyze a process whereby college sports reform would come sooner rather than later. Only time will tell if Congress and the American public hear and respond to the wake-up call. We can only hope it will be Catholic colleges and universities that lead the way.

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