

Ending amateurism would be disastrous for student-athletes

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 03/10/21 09:01 AM
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On March 31, just days before the NCAA Final Four weekend, the United States Supreme Court will hear arguments on a matter with substantial ramifications for higher education in this country. The case asks whether antitrust laws mandate that colleges and universities, acting through the NCAA, abandon amateurism — the central tenet of intercollegiate athletics since the founding of the NCAA in 1905 — and instead allow each school or conference to pay student-athletes to play sports so long as the pay can be somehow tied to their education.

In other words, must higher education adopt pay for play instead of treating athletes as students, whose most important activity on campus is obtaining a college education? Very few college athletes, less than two percent in football and basketball players, go on to play professionally. Their actual campus focus is in obtaining education, training, mentoring and social interactions that are the essence of their college experience and provide lifetime benefits.

A Supreme Court decision effectively ending amateurism will have wide-ranging policy implications for higher education, shifting incentives, raising costs, reallocating resources, threatening college sports offerings of all kinds and taking a toll on a valuable tool for social mobility. Therefore, the full context of the issues before the Court and before Congress, should be carefully considered.

The core issue is whether intercollegiate athletics does harm or good to the players. Critics of the NCAA argue that student-athletes are exploited, poorly paid and poorly educated performers who earn enormous revenue for their schools, coaches and athletic departments. Defenders of the NCAA argue that the amateur collegiate model provides opportunities and real education with lifelong benefits to the athletes and their communities consistent with the schools' vital educational missions.

Are these student-athletes exploited, or do they benefit? This question is better settled by hard empirical evidence than by anecdotes and polemics.

Our empirical research on student-athletes, based on extensive data collected by the Department of Education, finds that athletes receive substantial benefits from the current amateur sports model. Our team analyzed datasets tracking over 20,000 students from high school until their early 20s and found that student-athletes finished high school at higher rates, attended college at higher rates, graduated college at the same or higher rates, and were earning as much or more than otherwise comparable non-athletes.

This analysis accounts for the effect of other characteristics, like disadvantaged backgrounds, cognitive factors (e.g., high school test scores) and non-cognitive factors (e.g., motivation, self-control, school suspensions), which enable like-for-like comparisons. Detractors of the amateur model often compare graduation rates for football players from disadvantaged backgrounds to rates in the general college population, where more students are affluent. But this comparison does not take into account other important factors that are determinants of success, such as the individual backgrounds of the student-athletes. It also may obscure the positive impact of athletics for these students as compared with non-athlete peers from similar backgrounds.

In true like-for-like comparisons we found that Black student-athletes in Division I schools do not have a statistically significantly different likelihood of graduating than comparable other Black students, other athletes, or non-Black non-athletes. Moreover, we found that Black former student-athletes earn the same or higher early career wages than other students, which translates into higher lifetime earnings. These persuasive results are particularly significant for disadvantaged groups: our rigorous analysis shows that college athletics is a powerful vehicle for social mobility and delivers substantial benefits to student-athletes.

In addition to debt-free college, which is worth hundreds of thousands of dollars, student-athletes receive coaching and counseling that pays off throughout life. The economics literature recognizes that even a year of college has measurable benefits. Student-athletes learn the valuable life skills of discipline and teamwork. They learn to cooperate with people of diverse backgrounds. These activities shape character, with lifetime consequences. In addition, college athletics is a platform connecting students, academics, alums and fans more generally. This network has far-reaching benefits. Together, these are lifetime 'game changers.'

What are the risks of a Supreme Court ruling that effectively professionalizes college sports? It will shift incentives for more student-athletes away from studies and toward the lottery ticket of the pro leagues. It jeopardizes these lifelong benefits and not just for those playing the professionalized version of college sports. Cash-strapped colleges will divert funding to cover the salaries of student pros and away from individual and so-called Olympic sports like swimming, wrestling, gymnastics, fencing and volleyball. These sports and scholarships for these activities will likely be reduced or eliminated, with some potential student-athletes losing their college education opportunity and the associated benefits of collegiate athletics.

Professionalizing college sports also raises questions about the use of taxpayer funds (for state schools) on speculative, unlimited funding packages for high school star players whose incentives would be skewed toward athletics and not education. Some stars will get big pay packages, while others will be less likely to attend or stay in school. With only a handful of colleges with profitable athletic programs even today, the dominant football and basketball programs with current money to spend will become even more entrenched, leading to reduced competitive balance and fan support — the opposite of what antitrust policy is designed to target. Substantial risk of reduced output and reduced educational benefit will result from substituting a hypothetical and untested professional system for an established amateur system with a proven track record.

When we use evidence-based policy analysis to examine the current system, we can see that it provides substantial benefit and little harm. What about the proposed replacement? Congress, like the courts, should consider the consequences of rulings and laws that professionalize college sports because they risk destroying the substantial, lifelong benefits the current system provides. Changes in policies can have dramatic changes in outcomes. All the benefits will not remain the same if college sports are professionalized. The issues in this case are primarily educational, not matters of antitrust.

Colleges and universities pursue their educational missions within the NCAA joint venture framework to help ensure the health, safety and educational focus of student-athletes. Professional sports have their place and are successful. Our colleges and universities should continue to play in a different league.

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