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Intelligence Squared U.S.**Pay College Athletes**

For the Motion: Joe Nocera, Andy Schwarz
Against the Motion: Christine Brennan, Len Elmore
Moderator: John Donovan

AUDIENCE RESULTS

Before the debate:	After the debate:
42% FOR	60% FOR
33% AGAINST	32% AGAINST
25% UNDECIDED	08% UNDECIDED

Start Time: (00:00:00)

(applause)

John Donovan:

So very often, to be called an amateur is really kind of an insult. Except in the one place where the term is held to be sacred and that is in college sports. The idea that while they are still students, the men and women who participate in athletics, should only be playing for the love of the game. Classroom comes first, the playing field second, and money stays out of it. Except that we all know that there's money all over college sports. Coaches are paid in the millions, there are billions in TV contracts, but who does not get paid a salary in all of this? The players themselves. And why not? Well, goes the argument, they're on scholarship and to pay them to give them salaries would ruin the game. But the other side says, "Well, they're workers anyway, they're workers who are earning billions for their universities. It's only fair that they should get paid." It's a thorny argument that's gone on for a long time, but it's flaring up again now, especially in the wake of corruption scandals.

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And, in this, we think are the makings of a debate. So, let's have it. Yes or no to this statement, "Pay College Athletes," a debate from Intelligence Squared U.S. I'm John Donovan. I stand between two teams of two, experts on the topic, who will argue for and against the motion, "Pay College Athletes." As always, our debate goes in three rounds and then our audience here at the Kaufman Music Center in New York City will choose the winner and, as always, if all goes well, civil discourse will also win. Let's go to the first round of voting. The motion is this, "Pay College Athletes." We have one team arguing for the motion. Let's meet them. Please, first welcome Joe Nocera.

[applause]

Hi, Joe, and welcome back to Intelligence Squared U.S., your second time debating with us. You are a columnist at Bloomberg View. You're coauthor of the book, "Indentured: The Inside Story of the Rebellion Against the NCAA." You have described yourself as a very big, big college basketball fan.

00:02:04

But why college as opposed to pro for you?

Joe Nocera:

Well, it's pretty simple. I grew up in Providence, Rhode Island. We don't have professional sports, but we do have our beloved Providence College Friars, who I've rooted for all my life.

John Donovan:

All right, it makes sense. Ladies and gentlemen, Joe Nocera.

[applause]

And sitting by your side, Joe, is your partner in this debate, Andy Schwarz, ladies and gentlemen.

[applause]

Andy, you're a partner at OSKR. That's an economic consulting firm that you cofounded. You are an antitrust economist. You have described yourself in the past as a serious board gamer.

What college sport would make a great board game?

Andy Schwarz:

Well, so the problem is, is that I'm like one of those guys you ask, "What kind of music do you like?" And they're like, "Oh, every band I know is really obscure. You wouldn't know them." So, all my board games are like that, but I guess if I had to pick a sport that fits in the board game, it would probably be baseball.

00:03:00

It has a long history going back to Stratomatic, and so I'd go with baseball.

John Donovan:

Good all baseball. Okay, ladies and gentlemen, again, the team arguing for the motion.

[applause]

Now, the motion again, "Pay College Athletes," we have two debaters arguing against it. Please first welcome Christine Brennan.

[applause]

Christine Brennan:
Thank you.

John Donovan:
Christine, you are a best -- best-selling author of a lot of books. You are an award-winning sports columnist for USA Today. You were the first president of the Association for Women in Sports Media. You were honored by the Women's Sports Foundation in its commemoration of the 40th anniversary of Title IX. That's a term that's going to come up a lot during this debate. So, tell us, in one or, at most, two sentences, what Title IX is.

Christine Brennan:
Well, John, it was signed by Richard Nixon in June of 1972, a law mandating if you get federal funding, you must treat men and women equally. It was designed for law schools and med schools. Obviously, the sports component has been huge. I think it's the most important law in our country of the last 45 years, not that I think it's a big deal or anything.

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Title IX has changed the playing fields of America.

John Donovan:
And we'll hear -- be hearing a lot more about it, but thank you for that explanation. Christine Brennan.

Christine Brennan:
Thank you.

[applause]

John Donovan:
And Christine, your partner is the one athlete -- the one, as far as I know, the one professional athlete on our panel. Ladies and gentlemen, one more time, please welcome Len Elmore.

[applause]

So, Len, you've spent 10 years in the NBA. Before that, you were All American at the University of Maryland. You are now an attorney. You are also a basketball analyst. You served as an Assistant District Attorney after you graduated from Harvard Law. You are also, for people who

are only listening, 6'9". Question, when you were in the courtroom, did you ever use your stature to intimidate your opposing counsel?

Len Elmore:

Not intentionally. However, when we were called to the bench, I was the only one that could look eye to eye with the judge, so --

[laughter]

-- I think that had some impact.

John Donovan:

That helped. Ladies and gentlemen, Len Elmore, and the team arguing against the motion.

00:05:02

[applause]

So, you have all voted now, prior to the arguments beginning, and I want to explain, after you heard the arguments, we're going to ask you to vote a second time. And the way we determine the winner of the debate is the team whose numbers have moved up the most in percentage points. So, it's the difference between the first vote and the second vote that determines our winners. Let's move on to Round 1. Round 1 are opening statements by each debater in turn. Speaking first for the motion, "Pay College Athletes," here is Andy Schwarz, economist and partner at OSKR. Ladies and gentlemen, Andy Schwartz.

[applause]

Andy Schwarz:

Thank you, John. Tonight, you're going to hear Christine and Len argue that mandatory enforcement of amateurism is a bulwark against the forces of over-commercialization that threaten to destroy college sports. They'll ask you to ignore the fact that college sports are already hyper-commercialized with billion-dollar TV contracts and events like the Chick-Fil-A Peach Bowl.

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But to economists like me and almost any economist not on the NCAA's payroll, the NCAA's enforcement of amateurism is not noble. It's the classic conduct of an anti-competitive cartel. A cartel is a set of independent firms -- here, the member colleges and universities of the NCAA -- that fix prices in a market where they would otherwise compete. Cartels are illegal in the United States. People go to jail for price-fixing and firms have been punished for attempting to fix the price they pay their workers. In the 1990s, one cartel that was trying to fix wages was punished by a federal court, which said -- and this is a quote -- "the cartel ultimately robbed suppliers of the normal fruits of their enterprises." That cartel was the NCAA, which had tried to fix the wages that were paid to coaches by the schools. And they said, "Well, we need to, because we have to preserve amateurism. We need to save costs." And the court said, "Those

may be fine goals, but they don't override the coach's right to seek employment in competition among the schools that would employ him or her."

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And so, my proposition to you is, rather than voting yes to the simple "Pay college athletes," I want you tonight to vote yes to the idea that college athletes, like their coaches, have the right to a market free of collusion, like all of us do under the law. Tonight, you may hear the argument that if college athletes are paid, that suddenly and magically they'll stop being students. That's nonsense. Students in college get paid all the time. They work in the library. They work in the bookstore. They get paid if they're in student government. They get paid for - on the school newspaper. One of my roommates in college got paid a commission every time he placed an ad in the school yearbook. Emma Watson was at Brown University when she made many of her "Harry Potter" movies as Hermione Granger, and she was paid an exorbitant salary because she was able to access a free market.

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We might not have approved of how much money she got. We may have been worried that she would have spent the money frivolously or maybe even dangerously, but we didn't deny her, her adult right to go into the market and seek compensation free of collusion. That same adult right has been denied to college athletes. So, where Emma Watson was treated like an adult, DeShawn Watson, who won the national championship at Clemson, was not. Instead, he was told he could have a fixed price, and that was it. I'm not here to argue that every college must pay every athlete. Instead, my proposition is simple -- that college athletes have the same right of market access as their coaches, and as the rest of us here, and that we have let them -- that right be usurped by the NCCA through collusion. Should we pay college athletes is a really arrogant question. Who are we to tell a group of people whether they can or can't earn a living under the same rights that the rest of us have?

00:09:07

A better question is, if there were no collusion, would college athletes get paid? And if the answer to that is yes, then you know they're being exploited -- because their pay is being held down by a cartel. So, would they get paid? Of course, the answer is yes. One answer -- one reason we know this is because college athletes are already paid. In exchange for their athletic services, they are provided with room, board, tuition. And since about 2015, they get about \$400 a month in cash as well. This is not a free education. It's a quid pro quo -- services for services. Athletics for education. Now, Joe is going to talk about whether that education is being provided fairly or not. But my point here is that in a market, if schools were not bound by NCAA collusion, they would offer athletes every single bit of education they offer them today, and education.

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It's not an either/or. It's a both and. And anything else you hear about this tonight ends up being a quibble when you think about it being a fundamental right. So, one quibble you might hear is that Alabama and Ohio State will get all the best football players and Kentucky and Duke

will get all the best basketball players. But that happens now. There's actually very good economics that shows that fixing prices hurts competitive balance; it doesn't help it. You may hear doctored NCAA statistics that nobody makes any money -- but there's plenty of money when the coach needs \$500 million pay, the assistant coach needs a million dollars. And the good news is that unlike coaches' pay, as athlete pay rises for men, Title IX ensures that an equivalent amount will be dedicated to women. So, what we'll see is a sort of Title IX 2.0. If you hear the myth that compensation and education just aren't compatible, please listen carefully.

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It's about something about who's getting the money -- why is it okay for Emma Watson to get the money, and Katie Ledecky to be paid to swim while she's at Stanford, but it's not okay for DeShawn Watson or for Richard Sherman to get paid to play football while he's at Stanford? Finally, don't fall for the fact that no one will watch. If no one will watch, then no one will pay, because pay in a market is driven by businesses' desire to attract customers. And so, if in your mind, you suspect that, if allowed to, colleges would pay, then what you're saying is that you know that fans would still attend. And that's why I want you to answer "Yes" to the proposition, because athletes deserve the right to find out the answer, what they're worth.

John Donovan:

Thank you, Andy Schwartz.

[applause]

The motion, again, is Pay College Athletes. And here to make his opening statement against the motion, Len Elmore, attorney, former NBA player. Ladies and gentlemen, Len Elmore.

[applause]

00:12:01

Len Elmore:

Pay for play is a cop-out. It teaches nothing. It infects the true mission of sports and higher education, and you got to consider this. There is no right to play college sports. There is no statutory, natural, or God-given right. No one forces the athletes to play. There are options that exist for basketball and even football players to play somewhere other than college. It's a benefactor/beneficiary relationship, where the athletes, as beneficiaries, accept the conditions set forth by the benefactors, in exchange for the benefits that include free education, free world-class training. Now, if you quantify those benefits -- room, board, books, tuition, cost of attendance, stipends -- which can sometimes go as high as \$6,000 -- then add medical benefits, world-class coaching, training in world-class facilities, the ability to build a brand on national TV.

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How much would those benefits be worth on an open market? Now, no one can argue that the NCAA has done it perfectly, but no one can reasonably argue that these benefits don't have significant value. The mission of higher education is leadership development. Competition

against similarly situated folks on a plain surface in front of crowds is a dynamic element of leadership development. That kind of pressure yields diamonds even among athletes who never make it to the pros. Few college students have that opportunity. Pay for play blows up that mission with its distractions. Only tuition is tax free. You know, any benefit not directly attached to the education mission is taxable, but the IRS just looks the other way for now.

Imagine every athlete having to file a tax return. That just adds to the burdens that college athletes already have.

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Pay for play destroys the pro social benefits of college sports. Ninety-six percent of the revenue derived from tickets and media sales go back to the institutions who in turn utilize it for programs that work to the benefit of student athletes. The revenue serves the greater good.

That includes supporting division two, supporting division three, subsidizing nonrevenue sports with money for scholarships and other beneficial programs. Now, pay for play obliterates the line between sports and -- pro sports and college sports. College sports galvanize small city and big city communities, college communities. The academic and sports success of beneficiaries lead benefactors to contribute more. And the success of the beneficiaries through graduation, earning a degree, and post sports and college success leads them to become benefactors through foundations, through other ways that they contribute to the community causes.

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And, yes, it is a social and racial justice issue, however, not for the reasons our opponents have stated. You know, black athletes carried a burden of academic failure in revenue-generating sports. Fifteen years ago, the graduation rate for African-American basketball players was 46 percent. Today, according to the graduation success rate, it is now 77 percent. Now, those numbers can improve, but guess what. They were done without paying a single dime of pay for play. Now, nevertheless, the growth over those 15 years is something that people marvel at.

But the bottom line is it's just a shiny object that draws these athletes out momentarily. But it gives them nothing as far as future survival.

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You've heard from the opposition, "Fair value," or college athletes, or you will. How about focusing on valuing education fairly. For people of color, particularly black athletes, education is resistance. What better than a degree to help you prepare and resist the ravages of racism in a world that essentially is hostile to you because of the color of your skin? It's time we viewed pay for play as a sarcastic deterrent and payoff to deter that type of resistance. Now, if you were distracted by all this fake money, imagine what it's going to do to an 18-year-old who thinks that he or she is going to college to get paid as opposed to getting a higher education?

The corruption in college sports that we probably will touch on has its roots fueled by money. But rather than destroy those roots, pay for play deepens them.

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Every ill that has been mentioned and will be mentioned by the proponents of pay for play can be cured by controlling spending, continued academic reform, and assuring that direct

commercial success inures to the benefit of the college athlete first and foremost to health, safety, and welfare not by substituting a fix in amounts that probably will have less impact than an earned degree on the lives of these athletes. And, for that reason, I urge you guys to vote, "No," on this proposition.

John Donovan:

Thank you, Len Elmore.

[applause]

And a reminder of where we are, we are halfway through the opening round of this Intelligence Squared U.S. debate. I'm John Donovan. We have four debaters, two teams of two, debating this motion, "Pay College Athletes." You've heard the first two opening statements, and now onto the third there is Joe Nocera. He is Bloomberg View columnist and coauthor of, "Indentured: The Inside Story of the Rebellion Against the NCAA." Ladies and gentlemen, Joe Nocera.

[applause]

Joe Nocera:

Thank you.

00:18:00

Thanks. I've got a lot to say here, but I'm going to start by just summing up what Len said. Let's exploit black college football and men's basketball players for the greater good of everybody else. That's the bottom line. Now I have six points I want to get through, so I need to get moving, but I'm going to start where Len started, education. So, a free education is supposed to be what you get and it's what the NCAA promises. In fact, it says on the website "In the collegiate model of sports the young men and women competing on the field or court are students first, athletes second." And Len says that the college education is so valuable that an athlete should be thrilled to have this as his only form of compensation and should ignore how much more the market might provide. You know, here's the deal. Education should be their trump card, but it's actually the reason you should vote with us.

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Because far too many college football and men's basketball players simply don't get a real education or anything close to it. So, you've read about the University of North Carolina scandal. Twenty years, fake classes. Right? No professor. No class. One paper which is graded by the administrator. Right? And not only did the NCAA say that this was okay that it didn't violate any rules, they called it a benefit, a benefit to the athlete. The thing about that, fake classes are a benefit to athletes who are there to get an education. Explain how that works. Explain how that's right. Now, race. Race is an important, important subtext of this whole conversation. The University of Auburn, 3.2 percent of the undergraduates are African American. Seventy-eight percent of the football and men's basketball players are African American.

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There are similar stats at places like every big-time sports school practically, Ohio State, Florida, University of Louisville. Sometimes close to half of all division one football athletes receive PEL grants, which are reserved for the lowest income families in America. A college education is supposed to be life changing, but listen to some statistics, some real statistics, not the phoned up NCAA graduation statistics, which by the way, don't count any athlete who drops out. That's the graduation statistic doesn't count athletes who drop out. Think about that one for a second. In the big 10, black men's basketball players have a graduation rate of -- that is 36 percent lower than non-athletes. The big 12, minus 42 percent. The mountain west, minus 51 percent. Michigan State 33 percent of black male athletes graduate in six years compared to 78 percent of non-athletes. And a lot of those who do graduate major in something called eligibility, i.e., they just take any class that the academic advisor sends them to so that they -- so they can stay on the field.

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This is exploitation. I don't even know how else you can call it anything else. They've been recruited to the campus for one reason, one reason, to generate revenue for the university. That's why they're there. You can't say that about anybody else on campus, including I might add, hockey players and baseball players who don't generate revenue. So now they're going to say now they're non-employees because they're quote unquote "student athletes," right? They're not employees. But when the NLRB in Chicago held a hearing to discuss whether the Northeastern football team qualified under the law as employees, they wound up saying yes, they did. They work 60 hours a week. Their boss, their coach, controls almost every aspect of their lives. They are employees. They can't take classes that get in the way of their sport.

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That's why they're there. Now, student athlete. I got to do this quickly because I'm running out of time. You're going to hear that phrase a lot, student athlete. You know where it comes from? 1956. The NCAA made it up because some states were thinking of giving badly injured football players Workman's Comp. So, the idea is if you call everybody student athlete they'll think they're students and they're not employees and therefore they won't get student -- Workman's Comp no matter how badly they're hurt. That's a really fair system, don't you think? We've talked -- everybody agrees that college sports is a huge business. It's actually a \$13 billion business, just a little bit less than the NFL, and you know, we're all talking about how much money the coaches make. ESPN is paying \$7.3 billion to televise the new college football playoffs. That's three games a season. Three games. So why is it okay to have a business that maximizes revenue in every aspect, but the labor force is supposed to be free?

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How is that right? I want to talk finally about scandals. So, we have -- every scandal revolves around money. Somebody's passing money to somebody under the table. That's what happens over and over and over and over. The latest one is the Louisville Scandal where, among other things, a marketer for Adidas was paying a player \$100,000 to get him to go to the University of Louisville where Adidas has paid, by the way, \$160 million to put the uniforms and the shoes on the athletes of all the -- of all the teams. The NCAA finds this horrifying. It's a huge scandal. It's

terrible. But think about what kind of scandal this is. This is like prohibition. Drinking was against the law during prohibition until they changed the law and then drinking was fine again. That's what's going on here.

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If you vote with us, you're voting for a system that is healthier, fairer, more honest, and more just. Thank you very much.

John Donovan:
Thank you, Joe Nocera.

[applause]

And, again, the motion is, "Pay College Athletes." And here to make her opening statement against the motion, Christine Brennan, sports columnist for U.S.A. Today. Ladies and gentlemen, Christine Brennan.

[applause]

Christine Brennan:
Thank you, John. Thank you. Well, thanks for being here, everybody. It's a real delight to be up here with four friends. And I do have to give Joe and Andy some credit here. I'm going to give you your props right away, you've used the word, "women," as well as men in this conversation because, folks, let me tell you this. When you have heard the conversation about paying athletes, what have you heard, the words, "basketball," and, "football." They haven't used the word, "pesky" -- the pesky adjective, "men's," have they, men's basketball? No, no, it's been basketball and football as if there's no other sports that exist. So, I have to give you guys credit for talking about women because can you imagine a place, a time in this country, where you could pay men but not pay women?

00:25:07

And, in reality, that is what this conversation has been. Guys, again, all props to you for mentioning women, for acknowledging that women play sports. But when we hear this argument over and over again, ladies and gentlemen, it's about men. 2017, we're going to pay men but not women? And I know you guys said, "We will." You talk to any athletic director in the country and they're thinking, "Wow, how in the world do we do this? How do we pay field hockey as well as football?" You have to under Title IX. Or, if you don't, if the idea is all about revenue producing and we're only going to pay the people that supposedly make money, if you do that, well then think of the Title IX lawsuits. You will just have hundreds and hundreds of lawsuits in this country as there should be if, in fact, you're not paying women equal to men. That is a conversation, and that's one of the things that I would like to focus on with my teammate Len, here, is what is this going to look like? What is this going to look like? So, "Okay, let's pay them. Let's pay everybody."

00:26:02

I've got some college football fans here? Shout out one of your -- your school you cheer for. Anyone cheers for Alabama? Auburn? Another one?

Male Speaker:
Maryland Terrapins.

Christine Brennan:

There you go. Wow, there you go. Len, I think we got his vote. So, you guys are from Maryland. You've got an offensive tackle. Now we're paying them. We're paying, what, 100,000 a year? And all of a sudden Auburn says, "You know, we need an offensive tackle," halfway through the season," and we'll pay him 150,000 a year." So there goes your offensive tackle, right, if you can move around? Now, maybe you have rules, right? And you say, "Well, you can't move except for a year or two. Think about that. Think about the money, as if we need more money in sports, and what will that look like? Len mentioned, of course, paying taxes, all these kids now having to pay taxes, the field hockey players moving from here to there because they don't like their job, the way you might want to move halfway through a year in a job that you're in, the chaos that that could leave for everyone.

00:27:00

And as fans of football, there is something to say, "Hey, when that punter is out there on the field and you're cheering for him, that he was in a chemistry class as you were." And I know our friends are saying, "Oh, they'll still take classes." Really, really? Yeah, that would be wonderful if they do, but the odds are, if they're there for the money, it's minor league sports and they're just going to want to obviously play football or whatever the sport is for the money. It would be great to have them in class, but will they? I was with a whole group of big 10 people, actually, on an Alaska cruise and I asked this question. I said -- these are super fans. They've spent money to go to Alaska. They have season tickets. I said, "Would it change football for you, and men's basketball for you, if we were paying everybody?" And I asked for a show of hands and every single person, Iowa, Purdue, Minnesota, Ohio State, Maryland, Northwestern, where I went to school, everyone said it would change it for them. They would be less likely to support it.

00:28:00

They would be less likely to go and cheer for it. So, those are just the facts, folks. You know, the other thing that we hear a lot from our friends on the other side of this issue is the conversation about athletes not being compensated. And Len referred to a little bit of this. But I just want to make sure I make this point clearly. Forbes Money -- who knows exactly what the dollar figure is -- Forbes said that \$2 million dollars-plus, over four years, for a football player, that the value of that education and that experience at a college -- 2 million plus. USA Today, my newspaper, men's basketball -- a half million dollars, they figure, over the four years. Again, what is that? Len mentioned it. Elite coaching. Tutoring, training, food, medicine, all of those wonderful things. The exposure on Saturday night to show your wares, so that someday, a future employer can see what you're doing and hire you. What would the violinist in the symphony -- in the school symphony give to be on TV every Saturday night, so that you could watch her do her thing -- playing the violin so that she could someday be hired by a symphony?

00:29:09

What is the value of being on network TV over and over, as football and men's basketball is? Maybe someday we will have the Violinist Channel. I don't know. But right now, we don't. But think about the value of that and what these student athletes have now. And I -- the last thing in the last minute that I have here is that we hear that money is floating all over -- around -- of course, all over the place. Absolutely. Are college coaches paid exorbitant amounts? That's not the conversation for today. I think all four of us could agree the answer is yes. These college coaches -- football coaches, men's basketball -- are paid through the roof. That's not what we're debating here today. We're debating about the funds that are there. And according to USA Today, 23 programs are self-sufficient, 23. Not hundreds. And I know we may disagree on this, gentlemen, but the reality is that for all the money that they're bringing in, so many of them are spending it, and there's 23.

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The Ohio States, the Michigans, the Floridas, the Texas, the -- you know, those are the schools that are making the money. The rest are not balancing out. So, this idea that there's money just floating around there to pay everyone -- we're finding that's just not the case. So, anyway, thanks so much for listening. Hope you vote with us, and on we go. Thank you very much.

[applause]

John Donovan:

Thank you, Christine Brennan. And that concludes Round 1 of this Intelligence Squared U.S. debate, where our motion is Pay College Athletes. Now we move on to Round 2, and in Round 2, the debaters can address one another directly, and they take questions from me and from you, and our live audience here in New York City. The motion is "Pay College Athletes." We have heard the team arguing for the motion, Andy Schwartz and Joe Nocera -- arguing that the question itself is condescending to the players, that those players have the same right as any other college student, to earn money while they're at college.

00:31:00

They point out that students earn money for all sorts of jobs. Why not for sports? Why not let the free market determine what their value is? They say that the current system is one that particularly exploits black players for the sake of everyone else. They cite the scandal in terms of whether there's an education going on, of fake classes. They point out that the majority of players are African -- or rather, half of the players, approximately, are African-American and vulnerable to this sort of exploitation. And the bottom line, they finish with this assessment -- comes from Joe Nocera. That these players were recruited for one reason only, one reason only, he says, and that was to make money for the university. The team arguing against the motion, Christine Brennan and Len Elmore, they use the term "pay for play," and they use it very distastefully. They say pay for play would ruin college sports, that it would ruin the sense of community, that it would ruin the opportunities that exist for players, African-American and others, to get an education, because kids would start going to college not to get an education.

00:32:01

They would start going to college in order to get paid. They say that college sports currently still succeed in galvanizing communities, encouraging benefactors to give to universities they support, and that that would be lost when the system would move to pay for play. And by the way, they point out, what happens to women's programs in a system where the free market comes into play? What happens to women's sports? Do they get an equal crack at this as well? And what happens to colleges that just can't pay? So, there is a lot there. There is a lot through this lens to discuss, through the lens of whether or not to pay college athletes. We can talk about ideals, the pragmatics, the educational factor. But I want to go back to the point I found Joe Nocera made, that sounds so devastating, if true -- if true -- that colleges are recruiting these players for one reason only, and that's to make money for the universities. That's a devastating statement to make, and I want to take it to you, Len Elmore, on the opposing side, to respond to it.

Len Elmore:

Well, in some ways, it is true, and it's translated into wins and losses and just as importantly it also translates into opportunity.

00:33:05

I mean, there's no question about it. You know, you can recruit guys and gals to be able to win games for you, but by the same token those same guys and gals can utilize that opportunity to better themselves. It's a quid pro quo and the bottom line I said, it's a beneficiary benefactor relationship. No one has the right to play college sports. I keep hearing that, but you know, it's just not true. And, you know, we talk about anecdotes and Joe throws out a lot of anecdotes and I think it might be intellectually dishonest to say don't listen to the NCAA stats and don't believe this, but where's the proof that they're wrong? All we've had are anecdotes instead of patterns and as a lawyer I deal more with trends and patterns than just anecdotes to illustrate my points. So, you know, when you're thinking about all of this just remember again, you got to have some gravitas to your statements and I haven't heard anything that supports those anecdotes.

00:34:08

John Donovan:

Let me bring it to Andy Schwarz.

Andy Schwarz:

Sure. Well, so the College Sports Research Institute, which is based at the University of South Carolina, led by Richard Southhall and Mark Daigle produces a revised version of the NCAA's graduation rates that's peer-reviewed and they go through and they demolish what the NCAA does to doctor their stats. The same thing applies for the financial reports. You can look at works by Robert Fort, Dave Barry, Dan Rascher, my business partner. The sports economics community has studied this for 30, 40 years. This is not anecdote. This is social science and so --

John Donovan:

What about to Len Elmore's point and it was in answer to my question but just goes back to Joe Nocera, that in fact the tradeoff is worth it for the students. They're not forced into this. They

have the option not to go to college, but in fact by going to college they're making a deal education for the work that I do, and they're not denying that it's work. Joe Nocera, why don't you take it.

00:35:04

Joe Nocera:

Well, first of all the idea that they can decide to not go to college is silly, especially if you're a football player. I mean, you need -- you can't even be drafted until after you're -- until you're a Junior and the only way -- and your bodies aren't ready. You have to go to college. It's non-optional. You know, the second I -- if you had a chance at a real education yes maybe there's something to the tradeoff, although they're still not getting their market value and I still think that's wrong. But you know, --

John Donovan:

Let's just take that side of it. Let's put aside whether they're getting their fair market value and just talk about are they getting the education part of it that your opponents say. I want to bring that to you, Chris --

Joe Nocera:

For most college football -- too many college football and men's basketball players the answer to that question is no.

Len Elmore:

That's a dangerous word, most, because you don't know. You don't know.

John Donovan:

Let me bring Christine into it. Do you want to respond to that point?

Christine Brennan:

Well, again, not well -- I'll echo my teammate.

00:36:03

Most. My goodness. How many of us, I think probably every single one of you in this room, I know many of us, all of us, know people who played sports in college and they are successful professionals, right? I mean, are there problems? Absolutely. On that we can agree. Is it perfect? Of course not. But my belief, my strong belief, our strong belief, is that to pay athletes doesn't make it better and I think that's where we stand on this thing very simply.

John Donovan:

Andy Schwarz.

Andy Schwarz:

So, on the question of rights, none of us have a right to a television set either, but what we have is the right to when we go into a market and buy a television set not to have all the television set manufacturers get together and collude on the price. The Sherman Act was passed in 1890. That is a right embedded in law and the idea here is that when -- I don't have a right to play

college sports, but I do have a right if I go to college to say I want you to tell me how much my scholarship is going to be worth without colluding with others.

00:37:10

The same thing happened in the Ivy League around the time that I was applying. All of the Ivy League schools colluded on how much merit aid they would give at zero. They didn't give any merit aid by agreement. The Department of Justice stepped in and said that was illegal and all of the schools agreed to stop.

John Donovan:

Let me move on to another point that your opponents made. I'm taking this to the against side.

They talked about Emma Watson, the actor, being at Brown and being able to make a lot of money. They -- you argued wouldn't it be nice if violinists got paid and sometimes violinists can get paid. They can perform in concerts. They're saying if all these other students can get paid for their jobs, why shouldn't -- why shouldn't -- for their activities, for their activities, for their talents, why shouldn't -- why should college football players and basketball players be different.

Christine Brennan:

Well, to start out with, they've already got the scholarship. So, Emma Watson did not have a scholarship, correct?

00:38:02

John Donovan:

I don't know, actually.

Christine Brennan:

Well, she did not have a scholarship --

John Donovan:

Let's assume -- let's assume she didn't, okay?

Christine Brennan:

She did not have an acting scholarship to --

John Donovan:

Does anybody know Emma Watson's situation?

Len Elmore:

They don't know.

Christine Brennan:

I will say this, "I had no idea Emma Watson would be mentioned more than any other athlete at this point, or any athlete period." But we love it. That's -- when we get -- we're going -- we're going to talk about Emma Stone next. But the -- you know, so Emma Watson is an actor who is going to college and that's fantastic, right? But if you have signed up to have a scholarship and play then for Brown -- well, in the case of Brown, it's the Ivy League. So, let's make this Ohio

State and you are -- well then that's the deal. And of course, again, I do -- we agree it is not perfect. That is not the issue for any of us here. There of course are areas where they can -- that can be improved and discussed, and I think probably the youngest person in this room, when you're 80, we're still going to be discussing some of this.

00:39:02

But in terms of the fact that you are going to get a free education, for all of you parents out there who have paid full freight -- well, I'm not going to hold my breath for a parent-led march on Washington in the next 20 or 30 years, but, "Wow, so not only do they get a scholarship, if you're an athlete, but now they're going to be paid? And, again, how much? How much, guys?"

John Donovan:

Okay, I want to come back to the tradeoff with the scholarship, but I want to go back to the question that I asked your opponents about. If certain students can get paid for their activities, why not college football players? Did you feel that answer was addressed just now? Do you feel that your point was addressed tonight?

Joe Nocera:

Not especially, I mean --

John Donovan:

Joe Nocera.

Joe Nocera:

-- okay, you can use Emma --

John Donovan:

Let's take her out of it.

Joe Nocera:

-- what's-her-name, might not be the best example, but look, when I was in college, I worked in the photography lab. I also had a scholarship. Not athletic, but I had an academic scholarship. I worked in the photography lab -- I paid taxes. I was an employee of the university. The world did not come to an end. It did not distract me from my studies. I was able to do it.

00:40:01

John Donovan:

Yeah, I think it's --

Joe Nocera:

Just putting money into the equation is not necessarily this corrupting, horrible thing. You're paying somebody for doing some work. That's how -- that's what happens in America all the time.

John Donovan:

Okay, let me let Len respond to that.

Len Elmore:

Well, take a look at -- take a look at the factors we're talking about when it comes to these young basketball and football players, how they were raised with regard to being on AAU teams, being coddled in many ways, not really understanding -- people, coaches complain about that all the time, that they don't have the necessary understanding of what real life is all about. And it continues in college. The point being made -- and you want to use anecdotes? I'll use one.

Cardale Jones from Ohio State, the quarterback, immediately, when he -- right before the draft, they asked him about his stay at Ohio State. He says, "Man, you know, I wasn't there to -- I was there to play football. I wasn't there to play school."

00:41:03

And then, after he goes to the Buffalo Bills, real life smacked him in the face. All of a sudden now, education's very important. I think that it's the most important thing of all. So, if we're going to use anecdotes, he's not the only one, I guarantee you, to be able to say that. And then that's the bottom line. It comes down to distraction. You know, I only got paid \$15 a month.

That was what the NCAA allowed. And, you know, so we didn't have those distractions. I'm sure you didn't have that distraction because you knew you had to work. You knew you had to study. But when these kids come to school, they think, and I did, too, that you're there to play ball. But --

Joe Nocera:

Well, how would Cardale be any more distracted than he was if he was getting paid? He wasn't even getting paid and he was distracted. I mean, how --

Len Elmore:

You -- no, I didn't say -- I didn't say he was --

Joe Nocera:

-- would money -- how would money change that?

[applause]

Len Elmore:

I didn't say he was distracted. He just said he was there to play football. That's not distraction, that's apathy.

00:42:00

That's a whole different story and that's what we're fighting, apathy.

Joe Nocera:

Well, we can add to that. We can actually add to that in one line. You let the athletes take one or two classes a semester instead of five. That's part of the problem. And you give them a lifetime scholarship so that when life whacks them in the face, then come back in 10 years and get their degree. Solved, problem solved.

[applause]

John Donovan:

Andy, do you want to say something? Yes, please, do that.

Christine Brennan:

Yeah, I guess, how much are you paying everybody? I mean --

Joe Nocera:

You're paying what the market values them.

Len Elmore:

Right, how does --

Joe Nocera:

And you sign the contract.

Christine Brennan:

So, a quarterback gets a million? I mean, so like --

Andy Schwarz:

Is that what they want to pay?

Christine Brennan:

Right, and then --

Andy Schwarz:

Schools are run by people with Ph.Ds.. Are they incompetent?

Christine Brennan:

I'm sorry?

Andy Schwarz:

Schools are run by people with PhDs who hire -- they run --

Christine Brennan:

No, no, no, but what I'm saying is this is all predicated on everyone showing up Saturday and everyone watching on Saturday, correct?

Andy Schwarz:

Okay, so if I'm -- if I am running an athletic department and I know that my fan base is vehemently opposed to idea of well-paid athletes, why would I pay a dollar more because that's going to turn people away? The reason I run the program is to sell tickets.

Christine Brennan:

Well, except, isn't that naïve?

Andy Schwarz:

If I'm selling tickets to people who don't want to come --

Christine Brennan:

Well, isn't that naive because aren't there going to be programs that do want to pay, and others that don't?

00:43:03

And aren't you actually just going to kill college football?

Joe Nocera:

We have a great, real world example of this, that's -- we have an experiment that's been going on for a decade. Kentucky basketball.

Christine Brennan:

And would that be men's basketball?

Joe Nocera:

Are you -- Kentucky men's basketball.

Len Elmore:

Are you accusing them of something?

[laughter]

Joe Nocera:

They bring them in, Calipari, John Calipari recruits players who know they're only going to be in school for one semester. They're complete mercenaries. They play their season. They're gone.

Does anyone in Kentucky care? Do they still go to the games? Do they still watch TV? Of course, they do.

Christine Brennan:

Well, I care.

Joe Nocera:

Are these athletes --

[speaking simultaneously]

Christine Brennan:

I'm not in Kentucky.

Len Elmore:

Wait a minute.

Joe Nocera:

Are these athletes real students?

Len Elmore:

Those are only two or three guys per -- on the team every year, two or three guys. What happens to the other eight?

Joe Nocera:

Out of 13.

Len Elmore:

What happens to the other eight?

Male Speaker:

But the --

Len Elmore:

Well, no, no --

Joe Nocera:

The issue on the table --

Len Elmore:

-- what happens -- what happens to the other eight?

Andy Schwarz:

But what do you mean, what happens?

Len Elmore:

Yeah. What happens to them? Do they go for four years? Do they graduate? Do they do any of those things? Are they getting paid?

00:44:00

Andy Schwarz:

Yes, yes, yes, yes, yes.

Len Elmore:

Oh, you know they're getting paid?

Andy Schwarz:

Okay. Here's the thing --

Len Elmore:

And is that -- you know they're getting paid?

Andy Schwarz:

Let me -- I want to do a little bit of economics here. If you have a cap, but no floor, and you see somebody receiving up to the cap, then you know that in a free market, their market value is at least as much as they get in the current market, because they aren't constrained on the bottom; they're only constrained on the top. You release the cap -- the people who aren't worth any

more will still get a scholarship. The people who are worth more will get more. Where does the money come from? Right now, tons of money is funneled to coaches because they can recruit. If you ask -- I'm sure that if you --

Len Elmore:

The players are getting paid is what you're saying.

Andy Schwarz:

Players are getting paid through -- coaches are getting paid to bring in players. If you can pay the players directly, the coach can be paid for his coaching skills and not so much his recruiting skills.

Male Speaker:

This is Calipari.

Male Speaker:

[inaudible] --

Male Speaker:

Calipari would get less money --

John Donovan:

I happen to have --

Male Speaker:

The reason --

John Donovan:

I happen to have on my card of notes Calipari makes \$7 million a year.

Male Speaker:

Yeah.

John Donovan:

So, that works out for him.

Joe Nocera:

The reason Calipari -- the reason Kentucky matters here is not because of what happens to the other eight players, but because the state of Kentucky, the city of Lexington, the school at the University of Kentucky -- they could care less that these players are coming in and out and have no interest in school whatsoever.

00:45:09

They could care less. They still go the games. They still root for the team. They were delirious when they won the national championship a few years ago. So, the idea that people are not going to come to the games anymore, if the players are paid, is baloney.

Christine Brennan:

Well --

Len Elmore:

But if they heard -- if they found out that their guys were getting paid, even under the table, do you think that would be something to make them happy? That's one question. The second question I have is, you know who Carl Polanyi? --

John Donovan:

Actually, I'd like to hear the answer to that question.

Len Elmore:

Okay.

Andy Schwarz:

I go back to the same point, which is that unless the athletic director and the president of the university is incompetent, they won't pay so much and turn away their fans. That's how markets work. If some -- like, if somehow -- like, when you went into Starbucks, so, like, you found out that the people were getting well-paid, you would go, "Ew, I don't want to drink this coffee," then Starbucks would pay their people less.

[laughter]

John Donovan:

Okay. Len, your second question.

Len Elmore:

You know who Carl Polanyi is, right?

Joe Nocera:

Say that again?

00:46:00

Len Elmore:

Carl Polanyi. He's an economist, historical economist. You know who that is, right, Andy? Great Transformation. You've read that, right? Okay. And what does he say?

Andy Schwarz:

Well, I --

Len Elmore:

What is his major point? There is no free market. The economy in existence -- there is no free market that can exist without government or other authority regulation. The only thing you're talking about is having somebody else regulate it, to regulate it from your side.

Andy Schwarz:

No. I'm talking about -- I'm talking about federal law applying --

Len Elmore:
You're not --

Andy Schwarz:
-- not a private cartel of schools.

Len Elmore:
Well, if you're talking about --

John Donovan:
Andy, let me bring a question to you that sort of ties back to Christine's opening comments about issues of gender here.

Andy Schwarz:
[affirmative]

John Donovan:
What if the free market places a higher value on male athletes --

Andy Schwarz:
Yeah.

John Donovan:
-- versus female athletes? Should those --

Andy Schwarz:
Well, I think --

John Donovan:
-- should both be paid the same --

Andy Schwarz:
So --

John Donovan:
-- on the same scale?

Andy Schwarz:
Well, so, I think that Title IX is one of the -- like Christine said, I think Title IX is one of the most important laws passed in the last century, and continuing into this century. And I don't know if people know this, but I'm just in the process of starting a league, and we actually wrote to the Department of Education, and said, "If we pay male athletes, what's the implication for the female athletes at the schools that we're working with?"

00:47:07

And they wrote back, saying, "You have to match dollar-for-dollar." It's not exactly dollar-for-dollar, but close enough. And so, this is why I say that if we let the market open up, and athletic directors decide that their fans can tolerate, say, \$100,000 a player, what that means is that they have to make sure they budget \$100,000 times 13 for women's sports too -- if we're talking about basketball. And if they can't afford that, then they have to lower the amount they pay the men -- male players to make sure they comply with the law, because federal law dominates here. And so, that's -- the idea, is the idea that schools will open themselves up to litigation is, I think, kind of silly. Or it means they're poorly run. And so, we're almost like, "Well, schools are run by incompetence, so we better not pay athletes." Oh --

John Donovan:

Let me let Christine respond to that.

Christine Brennan:

Well, no, that's not what we're saying at all. What we're saying is, as a living, breathing adult, where again, the term "basketball" just gets thrown around here and football.

00:48:01

I love that you guys are talking about paying women the exact same amount as men, but folks, in this argument that is not what anyone else is talking about. Kudos to you, but the reality of this conversation is all about paying men, not women, and again, Andy, I'll put you in charge of paying the women, but I'll --

John Donovan:

Can I --

Christine Brennan:

--- believe it when I see it, folks.

John Donovan:

You do concede that common sense fact that the world out there is talking about paying the men players.

Andy Schwarz:

NBA players get paid more than WNBA. If there were a Title IX for professional basketball players, they would get paid around the same.

Christine Brennan:

But the point is see, you just opened the door there, Andy. That's professional. This is college and we have made a choice as Americans that we want our girls to have the same opportunities as their brothers in high school and college. It is not about paying. It is about -- it's not about a free market it's about college. So, again, go ahead. I hope -- I'm going to put you in charge then, Andy, of paying all the women equal to men and I'll believe it, folks, when I see it so again, keep that in mind because you are talking about loads of money now that I guess it'll all come from Nick Saban's contract.

00:49:09

John Donovan:

Joe Nocera.

Joe Nocera:

Is your position then that gender inequality is okay once you leave college?

Christine Brennan:

No. It's not okay.

Joe Nocera:

Well then why is it okay for the women to be paid less in professional basketball than the men?

Christine Brennan:

No, quite the opposite.

Joe Nocera:

The answer is because the market values men's professional basketball more than it values women's professional basketball.

Christine Brennan:

Of course. Right, but you're now putting the college into the market.

Joe Nocera:

Yeah.

Christine Brennan:

That what I am saying is to the reality of this conversation is that you're going to end up having men get paid more than women, which will be a Title IX violation at every university in the country.

Andy Schwarz:

Do you get a W-2 from USA Today?

Christine Brennan:

[affirmative]

Andy Schwarz:

Okay. So, they pay payroll taxes for you, right?

Christine Brennan:

Actually, they don't, but we don't need to go into that.

Andy Schwarz:

Okay, but let's imagine that they do.

[laughter]

Christine Brennan:
Under their contract.

Andy Schwarz:

Imagine they did, right? So, when companies know they have to pay their workers' withholding taxes they calculate that into how much they pay. Title IX is like a basically 100 percent payroll tax. Every dollar of scholarship you give to a male you more or less give \$1 of scholarship to women.

00:50:07

Christine Brennan:

Although you know for years colleges haven't even done that and most universities today are not complaint. So again, Andy, I'm putting you in charge because you are doing more than most colleges today if you in fact are --

John Donovan:

Let me --

Christine Brennan:

If you do with what you're saying.

John Donovan:

Do you want to finish your point?

Andy Schwarz:

I just want to say that if the reason we don't pay college athletes is because college universities are breaking the law that strikes me as punishing the wrong people.

John Donovan:

I want to return to --

[applause]

I want to return to a little bit more of -- now, a little bit of the cultural part of the conversation we had. There are two things -- is the education for real and the other is what is the impact on the community that exists around college football? The love the alumni, the love of the small town, all of that. Your opponents, Joe Nocera, are -- and I know that you used the Kentucky example, but more broadly if you can take on the rationale behind what they are saying, that it will just turn people off to know that the athletes on the field are employees working for a paycheck and they're just not going to love the game.

00:51:04

They're not going to love the sport anymore and I can see the rationale to that, but what about it?

Joe Nocera:

I'm about to blow my closing statement, but what the heck.

John Donovan:

No, don't do that.

Joe Nocera:

When -- in the 1960s and 1970s when baseball players were fighting for free agency, Kurt Flood basically lost his career for this reason. Other players fought. Marvin Miller, the union head fought. People said, owners said, fans said this will destroy baseball. This will be the worst thing that ever happens to baseball if players get free agency and they can go from one team and another and they can argue for their own money, for their own paycheck. It was the best thing that ever happened to baseball. Baseball is much more prosperous today. It's a much better sport than it was back then. The idea -- he has -- they have no way of knowing that people will be turned off. I really have no way of knowing. I think they'd be fine with it in about five minutes, but the fact of the matter is you won't know until you do it. You just don't know.

00:52:05

John Donovan:

Okay. All right. Fair enough. We don't know the future, but we're having a debate, so you got to --

[laughter]

It's a fair enough point, but I want to hear how you would argue against it. Take it Len.

Len Elmore:

Well look, it comes down to the fact that one, you're talking about professionals and people have one concept of what professionals are about. They have another concept of what college athletes and athletics is all about. Now, you know, I will also concede that the concept of amateurism, the classic concept, is an anachronism. You know, we need to change. It's not professional, but it's not purely amateur, and that's one of the problems the NCAA has had in being able to redefine that. The Olympics is not amateur because they're getting paid as well, but it's certainly not professional unless you're playing basketball. The bottom line is, you know, you have the galvanization of communities around college sports because their attitudes are about college sports.

00:53:03

John Donovan:

But why would that change if the athletes were paid?

Christine Brennan:

Well, he -- go ahead, I'm sorry.

Len Elmore:

Well, I was going to say that it comes down to if people understood that these were pros again, this is a minor league now.

Christine Brennan:

Yeah.

Len Elmore:

How many people are the minor leagues getting?

Christine Brennan:

Right because minor leagues -- the other thing again is balance. What we're certainly I think probably all agreeing on is some schools will not be able to pay as much as others in the idea of paying athletes. And some might not want to pay them at all.

Andy Schwarz:

That's okay, yeah.

Christine Brennan:

So -- well, if I may --

Andy Schwarz:

I mean, we have division three, we have division two.

Christine Brennan:

-- if I may continue, Andy. If I may continue.

Andy Schwarz:

Sorry.

Christine Brennan:

And so, for example, you've got -- you guys are SCC fans or Big Ten fans or whatever. And, you know, there's a league and you feel like it's all pretty much on the -- on some equal footing in some way or other, right? And there's -- they're going for ball games and they're doing whatever they're doing in men's hoops, women's hoops. Same thing. Well, say, "Goodbye," to that. Say, "Goodbye," to that because there's no way my alma mater, Northwestern, is going to be able to pay what Ohio State pays.

00:54:02

Women's hoops, let's go with the idea that you guys are going to pay women athletes, all women athletes, which is great. I'll be cheering for it when it happens. It ain't happening, but I'll be -- I'd love to see it happen. So okay. So, who could pay women's basketball? We know Tennessee probably could, UCONN. So now you're a high school girl and you play basketball. Well, you're probably going to want to get paid, right? So maybe there's two or three schools that are going to pay their female basketball players. So, then the rest of them will get -- those are -- the best ones will go there. So, say, "Goodbye," folks, to competitive balance forever. It will change everything you've thought about college football, college basketball.

John Donvan:

Okay, let -- let's let --

Christine Brennan:
Just a fact.

John Donovan:
-- your opponents respond to it.

Christine Brennan:
Just a fact.

John Donovan:
Would you like to take it, Andy, or Joe?

Andy Schwarz:
So, one thing, are you worried that --

John Donovan:
Andy Schwarz.

Andy Schwarz:
-- UCONN will get all the best women's basketball players?

[applause]

Christine Brennan:
Well, they didn't win -- they didn't win the national title this year. That's for sure.

Andy Schwarz:
Well, there's a difference between recruiting --

Christine Brennan:
South Carolina did.

Andy Schwarz:
Recruiting outcomes are driven by money, and on-court basketball is driven by training and all sorts of things. Len can tell you, "The best team doesn't always win every night. Sometimes weird things happen. It's a stochastic event."

00:55:04

And so, you -- if you want to look at competitive balance in terms of compensation, you will get recruiting. And there is a ton of research that shows that fixing maximum pay creates powerhouse teams that endure forever. So, you get a situation where you can look at the top 10 teams in football in the '40s, the '60s, the '80s, the 2000s, Alabama's there, Oklahoma's there. It's all the same schools. There is no competitive balance in college football. There's no competitive balance in women's basketball. There's a little more competitive balance in men's basketball for a couple reason. One is that when you have won an out tournament, random events happen. And two is there's a depth of male basketball talent in this country.

John Donovan:

I may just not be following. Are you saying in response to Christine's point that the situation's like that already?

Andy Schwarz:

I'm saying the situation is like that now because of amateurism and freeing up the market would improve things.

John Donovan:

Well, let's let response.

Christine Brennan:

Well, it's not at all like that because it's -- I mean, the UCONN joke was funny except South Carolina won this year. South Carolina won't win.

00:56:06

Andy Schwarz:

When was the last time UCONN wasn't in the final eight, let's say?

Christine Brennan:

I don't know.

Andy Schwarz:

Sixteen, 15 years ago?

Christine Brennan:

But they're not -- but that's competition. What you are now going to do is add money and you -- I mean, it's -- I've been covering sports since 1981. I am as sure as I'm sitting here, folks, that it will alter it and we will hate it.

Andy Schwarz:

Who is the recruit --

Christine Brennan:

I'm sure --

Andy Schwarz:

Who is the recruit that someone got that South -- that UCONN Geno Auriemma really wanted and he didn't get?

Christine Brennan:

I'm sorry, who was recruited?--

Andy Schwarz:

Are there -- are there a lot of recruits out there that you can point to that Connecticut wanted and then --

Christine Brennan:

If you were going to pay, then you're going to end up with -- and I -- we don't have to be -- I think people know how we feel on this topic, but that you're just going to say goodbye to competitive balance. Same with -- same with, you know, Maryland beats Texas in football. That's not going to happen under your system, just not going to happen.

00:57:01

John Donovan:

I want to let Joe Nocera comment --

Joe Nocera:

I just want to say quickly that --

John Donovan:

You can take minutes.

Joe Nocera:

Our esteemed opponents mentioned several times that we don't want college sports to become the farm teams for the professional leagues. They already are. They already are. I mean, let's be honest. Why do they have this -- why do -- does the NBA prevent athletes from being drafted until their 19? Because they want to see them for a year in a college so that they can evaluate them. That's what farm teams are all about. I mean, the idea that this is something different from a farm team is silly. They are farm teams.

Len Elmore:

I would agree with that point, however, how many teams are in division one?

Joe Nocera:

Three hundred fifty-one.

Len Elmore:

Three hundred and what?

Joe Nocera:

Three hundred fifty-one.

Len Elmore:

And so, every one of them is a minor league team?

Joe Nocera:

Because of the lack of -- the lack of true competitive balance. They're only looking at maybe 25 teams where these players, who -- some of the may have taken underground money -- have gone to those teams. Those are the guys they're looking at. The rest of college sports -- when you got southern Illinois, do you think they're worried about, you know, "Are we going to go pro" or something?"

00:58:06

They're worried about whether southern Illinois wins the game. That's galvanizing community. When you go, even Wichita State, which is a top-10 team now. You go there, and I've been there -- they're worried about, you know, "What is our team going to do?" They're not thinking about these individuals. And the bottom line is -- in all of that is, we talk about free market. You know, competitive parity would be non-existent because of human behavior, because of self-interest and the need to win any cost. That's what it comes to. Connecticut is an anomaly. When you win year after year, after year -- everybody wants to be on the Yankees when the Yankees were winning. That's essentially what you have with UCONN.

Joe Nocera:

And the Yankees were winning, of course, in the days when there was a cap on --

Male Speaker:

[inaudible] --

Joe Nocera:

-- when there was a cap on salary. And what --

Male Speaker:

Well --

Len Elmore:

Well, from -- how about from '95 on?

Joe Nocera:

Once baseball went to the free market --

John Donovan:

Okay, okay --

Joe Nocera:

-- [inaudible] --

John Donovan:

I have to play referee for just a second.

Len Elmore:

From '95 on, they won.

John Donovan:

Stop. I've got my stripes up here.

[laughter]

I want to move on to audience questions now.

00:59:03

So, I'll start right over there on this side.

Male Speaker:

Hi I'm Mike from White Plains, New York. My question is for the For. I appreciate that you brought up the points about the exploitation of athletes -- and coaches and universities taking advantage of them. And I think that's really at the crux of this whole conversation, of people not doing. My question is, if we're trying to solve those problems, how is paying athletes, in the long game, going to help them if we're basically -- the solutions you were talking about, about lifetime scholarships and things like that seems to be a different conversation. It's still a university and we want education. We want to prepare these young people for the future. Is paying going to solve that problem?

Joe Nocera:

If you --

John Donovan:

Joe Nocera --

Joe Nocera:

If you are working a job 50 to 60 hours a week, generating millions of dollars, keeping -- allowing your coach not only to keep his job but to make his millions, to the assistant coach to make their millions, the conference commissioners make their millions for -- on, and on, and on.

01:00:10

If you're doing all that, and you're not being compensated at your fair market value, you are being exploited. That's the definition of exploitation. Now, this is not to say that there shouldn't -- we shouldn't be figuring out ways to make it easier to do that job and to get an education. I mean, one of the big problems -- putting aside pay -- is the fact that they're -- that athletes are expected to take five to six classes a semester and work 50 to 60 hours a week on their sports. It's almost impossible. And so, I would say, paying them is one of the ways of reducing the ways that the athletes are exploited.

Len Elmore:

You know, Mike, when it comes to exploitation, let's not forget what they're getting in return. Now, the optics don't look good, but what I said at the end of my open was that for every complaint that they have, the -- there are options.

01:01:06

There are -- and you can control spending. Okay? You can make sure that the commercial dollars inure to the benefit of the health, safety, and welfare of the student athlete. And the way you do that, in my opinion -- and I've been calling for this for years -- is get an anti-trust exemption. Now, you know, we've heard Andy talk about, you know, cartels, they're illegal, blah, blah, blah. The Supreme Court has had great opportunities since '84, when they decided a case that gave football back to the conferences as opposed to NCAA authority. They've had

ample opportunity to outlaw the whole thing. But there's one hitch -- education mission. And even in the O'Bannon case, the education mission prevented them from paying the student athletes the \$5,000. Now, you know, I'm a believer in name, image, and likeness -- that is a natural right. They should be compensated for that --

John Donovan:

By that --

Len Elmore:

-- if the schools use them.

John Donovan:

By that you mean the students should be compensated if their faces --

Len Elmore:

If they use -- right.

01:02:03

John Donovan:

-- are on a poster or t-shirt?

Len Elmore:

If they use them to sell -- if they use them to sell --

John Donovan:

Well, why -- well, that sounds free market-ish to me.

Len Elmore:

Well, first of all, you're going to give -- there is -- to me, there is no such thing as a free market. It's always controlled by --

John Donovan:

All right. But that --

Len Elmore:

-- some agent.

John Donovan:

But that's some -- but there's --

Len Elmore:

But because it's a natural right.

John Donovan:

But why -- go ahead.

Len Elmore:

Because it's a natural right. You don't have any option. You either use it -- use the natural right, and you get compensated, or you don't. They stopped utilizing that release that allowed them to use the name, image, and likeness of the individual athlete without having to compensate them. So, the NCAA recognized the error of their ways, but those things -- right now the NCAA is dying a death by a thousand litigation cuts. It's like the Wild West. You hear us go back and forth, back and forth about authority. In the Wild West, you know, they got what? Marshall Dillon who had total authority to clean the place up. Now if Congress allowed an anti-trust exemption to the NCAA, gave them subpoena power, gave them the other powers to regulate, the coach's salaries, regulate spending, regulate a whole host of problems to change those optics, I think we'd be far better off.

01:03:13

John Donovan:

Okay. Let me -- would you guys like to respond? Because I can move on to another question.

Joe Nocera:

I don't -- it's impossible to respond to that because I --

Len Elmore:

Because I'm right.

Joe Nocera:

I disagree so profoundly with the idea --

[laughter]

-- that you should regulate everything.

Andy Schwarz:

Right. This would be like letting Enron regulate financial reporting or something like that. So, the idea of giving the NCAA anti-trust exception, they're -- there was a scandal you may have heard about. There were some people from shoe companies paying some assistant coaches to encourage players to come to schools. And the NCAA's reaction was to appoint a committee.

There is not a single current athlete on the committee. There is not a single person who believes an athlete's rights on the committee. It's every single person is employed by a university, is involved in the system. It is the classic example of if you let the fox run in the hen house you're not going to have a lot of hens left.

01:04:02

The idea of shielding the NCAA from about the only force that's forced change, which is the anti-trust law, until -- for forty years from -- when you were in school you were able to get \$15. For forty years they banned the \$15 a month because they said it was contrary to amateurism even though when you were there it was fine, in 2015 finally the O'Bannon case changed it and they said oh well, no one's going to pay it. Every single school in FBS now pays \$3,000 to \$5,000 in cash to every athlete.

Len Elmore:

That's not what caused the cost of attendance. That was name, image, and likeness. So, let's not [unintelligible] --

Andy Schwarz:

I worked on the case. I can tell you that in the injunction there is a specific thing saying --

Len Elmore:

I know, but they were paying that before. Bottom line, though, is when you talk about nobody on that commission, and I don't have a great deal of faith, not because people aren't -- people are related to the NCAA, David Robinson, Grant Hill, Condoleezza Rice, last I checked they weren't related to the NCAA, but they're not radical thinkers and that's what we need. And when I talk about an anti-trust exemption, it's condition, condition on doing the things that I spoke of.

01:05:05

If they don't do it then let them die a death by a thousand litigation cuts, but you've got to give them a chance.

John Donovan:

Another question.

Male Speaker:

Hi. My name is Brian. Christine, earlier you mentioned 23, I guess so-called elite institutions and then Len mentioned 351 D-1s. Less than 1 percent is what we're talking. My thinking is they probably generate maybe 5 percent, as much as 5 percent of revenues, as well as expenses.

I know this is a sticky problem, but as a start what about some type of revenue and expense tax at a certain clip level to fund some type of pool until we can figure out what, if anything, could be done to compensate these athletes, if at all? The pool could be interest bearing over time and it'd be not less urgency, but a better chance to assess the situation while building up some type of war chest that if it's determined something else can be designed there'd be funds to do that.

01:06:02

Christine Brennan:

So, Brian, what you're saying is that you would tax or whatever the Ohio State and the Michigans whatever to give the money to the Michigan States and the lowas and -- you can see how that's going to go over, right?

Male Speaker:

You talked about parody and, you know, to take it to that next step.

Christine Brennan:

Yeah.

Male Speaker:

They do suffer a wealth of benefit if they're spending the money and they're -- you know, [unintelligible] revenues.

John Donovan:

Okay. I need to cut you off.

Christine Brennan:

Right. No.

John Donovan:

To --

Christine Brennan:

No, no, no, and I followed that by --

John Donovan:

You're looking for clarification, okay.

Christine Brennan:

Asking you to clarify. Sure, Brian, and you know, I think what we're seeing here clearly is there's a lot of fascinating conversation. I mean, we like these guys a lot and we get along great and, you know, I think the key question is -- is there value in a scholarship. You know what I'm saying? Because if not, then everything else, all the dominos fall, right? So, your point is a very good one if we are thinking, "Hey, let's have a pool of money and let's start paying athletes."

That's as good an idea as any other idea. I can -- it's -- I was -- I didn't mean to be flit, but I can certainly see how Michigan, Ohio State, and Texas, and Florida are going to go, "Yeah, we're not -- you know, what, we're going to give our money so that, you know, Auburn can beat us in women's soccer?"

01:07:09

Maybe not. You know, so I think that would be a fun regional problem right off the bat. But I still go back to this question, you guys. I mean, is there no value in a college scholarship? I -- you know, I mentioned earlier --

Andy Schwarz:

[inaudible]

Christine Brennan:

I mentioned earlier, you know, Forbes said, "Two million plus --" not only the scholarship, but the value, you know, the coaching and all that --

John Donovan:

Okay, Christine, let -- you put that question right back out there --

Christine Brennan:

Yeah.

John Donovan:
-- again.

Christine Brennan:
Is there no value?

John Donovan:
Let's hear what your opponents say about it.

Joe Nocera:
Nobody, nobody --

John Donovan:
Joe Nocera.

Joe Nocera:
-- in the last hour, plus, has said that there's no value in a scholarship. Nobody said that.

Christine Brennan:
Well, no -- well, what I'm saying is --

Joe Nocera:
But what we've said -- what we've said is, you know, number one, for many players, their fair market value will be more than what a scholarship entails. And, secondly, we're saying that for too many players, the scholarship is devalued by what happens to them when they're on the campus.

01:08:01

Christine Brennan:
No, this is --

John Donovan:
Len Elmore, do you want to jump in?

Len Elmore:
I'm just trying to figure out -- you keep saying, "Fair market value." There is no such thing as a free market. So, who is determining what the fair value is? There's somebody -- somebody has to insert some regulation to determine what that is.

Joe Nocera:
No, no, no, no, no.

Len Elmore:
There is no market without regulation.

Joe Nocera:
Len, they have these things called contracts. You --

Len Elmore:

Like the ones they sign right now?

Joe Nocera:

-- you negotiate. You negotiate with a coach or with an athletic director and you come up with a sum of money. That's how you got your -- that's what you do. That's what Christine's done. That's what everybody in this audience does. That's what people in America do. You don't need regulation to negotiate a salary.

Len Elmore:

But 17-year-olds and 18-year-olds need to add that to their burden.

Joe Nocera:

They have agents. They need to have agents.

Christine Brennan:

Oh, boy, that's just what we need.

Joe Nocera:

No, no, no, no, wait, wait, wait, wait. No.

Len Elmore:

We see how the agency --

Andy Schwarz:

Christine and Len --

Len Elmore:

-- we see what happens when the agency's involved.

Andy Schwarz:

-- specifically [unintelligible].

Joe Nocera:

This is a huge -- this is a huge plot.

John Donovan:

All right, let me -- I'm giving it to Andy Schwarz.

Andy Schwarz:

This is really important. Christine and Len don't want 18-year-olds to have to pay taxes. They don't want them to have to hire financial advisors.

01:09:00

They don't want them to have agents. They want to infantilize them. And then they're worried when they get to the pros, "Why are they so confused by all this money?" And it's --

Christine Brennan:

Well, Andy, let us say what we want, first of all, my friend.

Andy Schwarz:

Okay, all right, but what is wrong with having an agent and what is wrong with paying taxes if you earn good money?

John Donovan:

Okay, that's the end of a question. I'd like to put it to Christine. And after that -- by the way --

Christine Brennan:

And I just will answer with a question which is --

John Donovan:

Okay.

Christine Brennan:

-- has everyone in the audience been 17 once? I mean, again, the -- you're going to college. You are getting a free ride. You are getting an education that is going to change your life. Is it perfect? No. Are there fallacies? Is there -- are people taking advantage? Sure. Is everything great in Washington, D.C. right now, folks, where I live? No. Think -- we -- obviously nothing is perfect. We're human beings. But this system has worked very, very well for a long time.

Again, we absolutely agree there are some issues out there, but this cynical view of it is not the way to go.

01:10:00

John Donovan:

Okay, right there in the white T-shirt.

Female Speaker:

Hi, my name's Ramona. I'm wondering what both sides think about the idea of taking colleges out of the equation and allowing, like some of what was alluded to before, players to seek out compensation for -- like profiting off of their likeness through sponsorships outside of the college completely?

Andy Schwarz:

I think it's a great -- I think it's a great idea and I think it's long overdue. And it's the easiest -- it's the easiest, simplest thing that you could do to put -- to at least -- to at least, if you're not going to go all the way to paying players, to at least have an Olympic style model where, if a car dealer wants to get the University of Connecticut Women's Basketball Team to do an advertisement, that should be perfectly legal. And they all should be able to get a little compensation from that. I don't see anything wrong with that at all.

John Donovan:

And to clarify, it's now not legal.

Andy Schwarz:
Well, it's not --

John Donovan:
I mean, not permitted.

Andy Schwarz:
It's not permitted by the NCAA rules.

Joe Nocera:
It's not permitted under NCAA.

John Donovan:
Okay, let's take that to Len.

Len Elmore:
Well, I would agree. Name, image, and likeness, as I said, is a natural right and you're entitled to be compensated for that.

01:11:05

The biggest problem we have, though, is what's the process? And, you know, if you're looking at a football team and you want the quarterback to do, you know, this commercial, but the quarterback is only good because the left tackle is the one blocking for them -- okay, who should get the commercial? Who should get paid? I believe that, if you do that, it should be a group licensing situation where all the money goes into a trust and, at the end of graduation, and I emphasize graduation, then they can access the trust. But, yes, name, image, and likeness certainly should be compensated because it's a natural right.

John Donovan:
Another question?

Female Speaker:
Hello. My name is Crystal. Just to allude to what you said about how a lot of --

John Donovan:
The side against?

Female Speaker:
Against, yes.

John Donovan:
Okay.

Female Speaker:
About how African Americans get a better opportunity because they're going to college and actually getting a quality education. So, what do you tell that student athlete that actually

wanted to major in chemistry, but he couldn't because he -- it doesn't work within his schedule for football?

01:12:04

John Donovan:
Oh.

Female Speaker:
Or what do you tell that --

John Donovan:
What a great question.

Female Speaker:
-- nursing -- or what do you tell that nursing student who wanted to go to the University of Tennessee, but her nursing classes won't work within her schedule, so she goes to another school, so she'll do that. So, just, what are some -- what are your thoughts on that?

Len Elmore:
Well, my thought -- and that's a great question.

John Donovan:
Len Elmore.

Len Elmore:
My thought on it is this -- that student athletes, prior to going in to university, and being recruited, have to elicit, you know, some kind of promise, and have to find the wherewithal to be advocates for their own education. You know, you can't sit there -- and I tell these -- I tell kids this all the time, when I speak -- you can't sit there and allow people to track you. You have to follow your dreams. And be an advocate. Once they're advocates for their education, then nothing is going to stop them. And there are people on campus that will help you become advocates for your education. If that's not the place for you, then absolutely, you have to do what that other person did -- go someplace where you can be an advocate for your education.

01:13:04

That's the key. And we talk about, you know, 50 hours a week playing sports. If the NCAA had the enforcement capability -- or if some authority had the enforcement capability -- they would enforce the 20 hours a week instead of allowing it to go on and be taken advantage of, as it is today. So, I mean, advocacy for your own education -- you, as a non-student -- I guarantee you, you went and did what you wanted to do.

John Donovan:
Let's see if the other side wants to jump in on that point?

Joe Nocera:
Well, I mean --

John Donovan:
Joe Nocera?

Joe Nocera:
They're 17 years old. And you're basically saying they're too young to pay taxes, but they're not too young to advocate themselves in a very difficult situation, where the coach is trying to persuade them to come to their school. I mean --

Len Elmore:
That's why you rely on somebody to help you be an advocate. But I just -- let's clear something up.

Joe Nocera:
An agent.

Len Elmore:
-- I never said --

[laughter]

-- I never said -- I never said that they're too young to pay taxes. I just said it adds to their burdens. That's all.

01:14:01

Christine Brennan:
And also, to follow-up --

Len Elmore:
So, let's clear that up.

Christine Brennan:
-- Crystal -- just -- Crystal, your point, I -- in being a journalist here, I think I hopefully can say this -- we hear about the things that don't go right often -- news, by definition is when something isn't normal. Right? A plane lands, it's fine. If a plane doesn't land, then that becomes news, God forbid that that happens. So, we hear the horror stories in the news. There are hundreds, if not thousands, of college athletes who are able to play their sport and also get their degree in what they would like to get their degree in. And so, thank --

John Donovan:
One of the --

Christine Brennan:
-- you for your question.

John Donovan:
One of them went to Harvard Law School and became an assistant district attorney.

[laughter]

Right down the front, sir.

Male Speaker:

My name is Pierre. I'm addressing the against side. You stated that student athlete -- to the extent that he's not able or she is not able to major or have enough time to devote their major, or the -- biology or what have you, he or she could transfer to another university.

01:15:06

What about the rule whereby a coach can basically deny that transfer to that student athlete to go to another university? So, if I'm at the University of Nebraska and I want to major in biology, I don't have enough time to devote to it. I want to go to Wichita State. And my coach will not release me to go to Wichita State. I'm basically indentured to Nebraska, aren't I?

John Donvan:

[inaudible] --

Male Speaker:

By current rules.

Len Elmore:

Pierre, how many coaches do you think want that bad publicity? You can't go -- you can't go to another college --

Male Speaker:

There have been instances where that -- there have been instances where coaches will not release student athletes.

Len Elmore:

But they won't release them for other reasons, not because of the academic reason -- not that I've heard of.

Male Speaker:

Well --

Len Elmore:

You may know something that I don't.

Male Speaker:

But again, it's somewhat disingenuous, right? When you say that, you know, we're looking out for African-American students --

Len Elmore:

Right.

01:16:01

Male Speaker:

-- African-American student athletes, you have a case like the University of North Carolina, right, where --

Len Elmore:

It's one case --

Male Speaker:

Well --

John Donovan:

Pierre, just as moderator -- thank you for starting this discussion. I don't want you to debate with the debater --

Male Speaker:

Oh, no, no, I -- [laughter] --

John Donovan:

No, no. But let's let them --

Male Speaker:

Well --

John Donovan:

Let's let them -- let's let these guys take --

Male Speaker:

Thanks.

John Donovan:

But thank you for putting it out there. Thank you. No, I know, but he's not on the stage. You are so you have to take it. Thank you very much. Andy, or Joe do you want to follow up on that?

Joe Nocera:

There's not much to say here. I mean, it just -- he's right. It's a scandal. It happens too often. The transfer rule should be abolished and that's about it.

John Donovan:

I'll go on to another question. Right over here.

Female Speaker:

Hello. My name is Jill. I have a question for Len and Christine. Hi, Len. So, it appears that many very talented entering college athletes are not getting an education in high school and even perhaps in junior high school.

01:17:00

So, I wanted to find out how you feel that fits into the equation about not getting an education at the college level, because I'm basically repeating a statement I heard at another sports law conference recently that the problem with college sports is high school sports and the problem with high school sports is junior high school sports.

Len Elmore:

In some ways, Jill, that's true. But let's forget for a moment that, you know, that it's just focused on, you know, not getting an education in college. Because when you take a look, the marker for socioeconomic description in college is first generation, either your mother or your father went to college. Today only one in seven athletes, I think 19 percent in basketball, maybe 20 percent in football, are first generation. And what does that mean?

01:18:00

That means that from a socioeconomic standpoint they're not disadvantaged. And why is that gentrification happening? The rising academic standards, the cost of training to get to college, and finally, it really comes down to the middle class that can afford that. Now, in the end it comes down to the fact that colleges with the APR, they don't want to recruit kids that can't get a certain GPA and the ones who are in college for the most part, and I'm not talking about football, maybe football is a little more difficult, but when they recruit kids they want to get kids who can do the work so that their APR can remain above the level before they get penalized.

So, if they're not doing the work then it's not because they're not capable of doing the work, and that's why I say I think they're distracted. I think that many instances as a college basketball broadcaster, I talked to these kids. I look around. I want to go see where they're going to class and what they're doing and oftentimes, you know, they're not being held accountable and that's the one thing we haven't heard, personal accountability.

01:19:07

You know, I talk about being -- own it. You know, be an advocate. If you want it. All too often guys are coming in thinking I'm going to the pros. I'm going to make money. I'm Ben Simmons. I can go for one semester and go to class and then after that because I'm going to the pros I don't have to go to school anymore.

John Donovan:

Okay. I'm going to try to squeeze in one more question.

Male Speaker:

To the side against, my question is the proposal that you have put forward, the argument for the system that we have seems radically left-wing that we know that there are individuals, a few percent, that generate tons of wealth for institutions and so what best we can do is to take that money to use it for the betterment of the entire school and we do this in a paternalistic way and in exchange offer a scholarship.

01:20:01

It seems to me that if we said the same should be done for the next Bill Gates or Zuckerberg that comes into an institution on a scholarship develops at that institution some intellectual property that is incredibly wealthy and that we say to them we're going to tax that at 100 percent and we're going to ask you to say thank you because we've given you a scholarship that we would protest.

John Donovan:

That's really well phrased. That's not exactly a question, but I --

[laughter]

But I think they get it. Your -- it's really challenging the thing you said at the beginning that these players -- the income that they're generating is for the good of the whole university and it -- the questioner called that radically leftwing. Whether it is or not, that is your argument and he's challenging it. Why should that not apply to people who have -- who have intellectual gifts that produce results?

01:21:02

Why should they not ultimately have to give back all of that to the university as he is saying the players are being asked to do?

Christine Brennan:

Okay, this may be another topic for another day.

John Donovan:

Okay, I'm going to -- I'm going to call it at that.

Christine Brennan:

Because it -- but no -- but I do think there's some -- a little side note on this --

John Donovan:

Sure.

Christine Brennan:

-- that might be important, is that this is discussed a lot of what does football mean to a school. And a lot of people I know -- this is anecdotal. It is not -- I don't have this on a spreadsheet anywhere. They go for homecoming and then they go, and they write a check for biology the next day. They feel really good about being around the football team. They saw their friends. Football is the place to go. So, there's a lot there and I appreciate your question. Go ahead, Len.

Len Elmore:

Can I just answer real quickly? It's because, and we keep forgetting the phrase, "Education mission." You may not like it, but it's going to carve out throughout these Supreme Court cases. Even Justice Wilkins in the O'Bannon Case said that these issues could be better addressed as a policy matter by reforms other than those available as a remedy for antitrust violation.

01:22:08

Such reforms and remedies could be undertaken by the NCAA, members, schools, conferences, or Congress. And that means essentially that the carve-out for education mission makes it different than the commercial element that you're talking about no matter how much commercialism occurs. And it all started with the 1984 case.

John Donovan:

I want to -- I want to -- all of the questions have gone to the other side, so I want to give the FOR side a chance to finish this if they would like to make a statement in response to everything that just happened. Joe Nocera? You can pass.

Joe Nocera:

I'm okay.

John Donovan:

You can pass. Okay.

Andy Schwarz:

There were a couple of students at Stanford. They invented a little thing called Google and they got rich. And IP belongs to students and so should -- so should the economic value of playing sports.

John Donovan:

And that concludes round two of this Intelligence Squared U.S. Debate--

[applause]

-- where our motion is, "Pay College Athletes?"

01:23:03

John Donovan:

Now we move on to round three. And round three are closing statements by each debater in turn, making his closing statement in support of the motion and returning to the Intelligence Square. Here is Andy Schwarz, sports economist, and partner at OSKR.

Andy Schwarz:

I can see that some of you in the audience recently graduated from college. Others, maybe you have kids or grandkids who graduated from college recently. And you may be thinking to yourself, "Gosh, I wish my slow, short kid had been exploited like those big, burly athletes were." And the thing is that exploitation is not about some level. It's about the gap between what you get and what you're worth. And if your kid only got a half scholarship for merit, that's because that was the supply and demand factors that led to that and the school gave your kid what your kid was worth or gave you what you were worth. And the only people that that's not happening to right now are college athletes and it's because of collusion.

01:24:02

We live in a market economy. We might like the socialist economy, but we don't live in that and it is an odd spot that suddenly we become very, very socialistic when we're talking about college sports. And so, I think it's important to think about exploitation here. The idea that an education is not valuable is not what I stand for. I have three degrees. I think education is extremely valuable. Exploitation is about getting less than your worth. If an education is worth a zillion dollars, and 100,000 more. It's all about the gap. And so, I'd like to leave you with this final thought about the word, "enough." "Isn't it enough if they get a scholarship?" Enough is a standard that we reserve for people who could receive charity, for children, and for chattel.

When somebody owns a horse, and gives the horse enough oats, combs it well, we say, "What a good owner," and we think enough is good for the horse.

01:25:01

But we let the horse's owner earn as much as she can running the horse in races. And so, I want you to vote yes for the proposition: Pay College Athletes, because I think we should treat college athletes like the humans and not the horse in my analogy. And so, I want you to think about what it means if the standard that you're using for yourself is "I get what I earn," and the standard that you're using for collegiates is, "It's enough," what that means.

John Donovan:

Thank you, Andy Schwartz.

[applause]

The motion, again, is Pay College Athletes. And here making his closing statement against the motion, Len Elmore, attorney and former NBA players.

Len Elmore:

Okay. Enough. No one ever said it's enough. In fact, we've said more can be done. The current system needs to be changed. I talked about anti-trust litigation -- anti-trust exemption to keep the current system but allow an authority to be able to make it fairer.

01:26:05

At this point in time, one of the reasons it's -- the optics are bad is because there's no authority that can change it. You know, throwing out the baby with the bathwater by just paying people and going away -- to me that's almost degrading. You know, when you talk about -- and the word "indentured" -- I understand what you're saying, but you know, we have the cover of a book. We have people likening this to indentured servitude and slavery. You know, that to me is simply for shock value. Who can say that getting an education, a degree, and being able to move on -- even if you play pro sports -- who can say that that's slavery? And just because other people are making more money -- that's going to happen in this real world. But the bottom line is, this is leadership development. This is still education.

01:27:00

And no matter how many anecdotes we come up with that talk about the idea of poor classes, et cetera -- there are hundreds that do it the other way. Josh Dobbs, quarterback for the Pittsburgh Steelers, 3.5 GPA in aerospace engineering. Myron Rolle, a Rhodes Scholar, football player, played in the NFL and then he went on to be a neurosurgeon. Len Elmore, an attorney, a college basketball player, had the opportunity. If they were paying us, do you really think, at 17, 18 years old, our focus would be on what -- on what we ultimately became? Think about that.

[applause]

John Donovan:

Thank you, Len Elmore. The motion, again, is Pay College Athletes. And here making his closing statement in support of the motion -- Joe Nocera, columnist for Bloomberg View.

Joe Nocera:

I -- you walk into the college bookstores, and you see your jersey.

01:28:02

And it's being sold for \$50, \$60, 70 bucks, and you're not getting any of it. That's really leadership development, don't you think? That really teaches you a lot about how the world works. It does actually teach you a lot about how the world works. There's a deep cynicism among many athletes, because they watch the system where everybody, where there's money pouring, and they're getting none of it. I listened to our opponents talk tonight about all the things that would be so difficult about paying the athletes. Taxes, competitive balance, Title IX, contracts. These are all solvable problems. And not only are they solvable, they're actually pretty easy to solve. You just have to want to do it. And everybody in College Sports Inc. -- which is what I call it -- is resistant this idea because the current system works for them.

01:29:02

So, they don't really care how it works for the athlete. I want to finish on this point. In the early stages of the fake class scandal at the University of North Carolina, a distinguished professor of history named Harry Winston wrote a letter to an alumnus who was upset that the scandal had become such a big deal. And here's part of what he wrote. "We entice these players to entertain the public and enrich their coaches by performing a vast amount of arduous, dangerous, and unpaid work with the opportunity for a free education and a distant chance to go pro as their only compensation. Then we set up conditions which make the education either meaningless or nearly unattainable. To me, this situation is fundamentally immoral." If you want to start infusing some morality into this situation, not to mention some sanity -- some acknowledgment of reality, and some justice, you need to start paying the players. Thank you.

01:30:04

John Donovan:

Thank you, Joe Nocera.

[applause]

That is the motion: Pay College Athletes, and here making her closing statement against the motion, Christine Brennan, sports columnist for USA Today.

Christine Brennan:

Well thank you, John. Thank you, guys. What a delight it has been. It's been a lot of fun, hasn't it? I think we've all learned a lot and we thank you so much for being here and for tolerating our opinions. You know, I think it really comes down to you've heard enough. I mean, I could just sit down right now. You guys have your ideas, but it's almost a cynicism about well, college scholarship isn't worth enough. We're not doing enough. This wonderful thing we've set up, which is college sports, which so many of you enjoy, oh, that's not good enough. I know it sounds probably like I'm saying the sky is falling if it's going to be different. Folks, it's going to be different and we may ruin it to pay athletes when in fact they're already getting so much in our humble opinion with those scholarships.

01:31:07

And it's easy for me to stand here and say that to you, but let me take you to two days ago when I was at my alma mater, Northwestern University, and I started a mentoring program for female student athletes and now it's male and female student athletes and so I was talking with 20 or 30 students speed networking and dinner and what have you and each and every one of them, some football players at Northwestern, women's soccer, men's soccer, women's golf, swimming, you name it. Every single one of them was so appreciative of the opportunity they were getting. This great education at a wonderful university, I'm very biased. They get a chance to play a sport they love, and they get a chance in this case to meet so many professionals that can help them with jobs and internships and be launched into the lifetime of their dreams. They, when I asked them about this, they said we don't need to be paid. We're here and we're getting a college scholarship and we're getting an education that is going to change our lives.

01:32:05

Those were their words, not mine. And I'll leave you with that. Thank you very much. Take care.

[applause]

John Donovan:

Thank you, Christine Brennan, and that concludes round three of this Intelligence Squared U.S. debate. I want to say this about the times we live in, we're living in a time when it's very difficult for people to have conversations in which they disagree and to maintain civility and respect for one another. The number of times that the four of you signaled respect for one another and conducted this with civility was notable and commendable so I want to thank you all for the way that you did this and the way that you brought this.

[applause]

Folks who are regulars know that I always say this. Intelligence Squared U.S. is a philanthropy. We put on these debates and we set them out into the wilderness for free basically and they educate, they elucidate. We think they're raising the level of public discourse, which is so much

an important part of our mission. They're being used in universities and we have a number of people who are supporting us through this, but we're always trying to grow that number and small donations are as appreciated as large ones.

01:33:09

For that, to help us out in that way and make a contribution. You can visit our website, again, iq2us.org or you can use your phone to text the word, "debate," to the number 797979 and you'll get a link to donate online. And now it's time to learn which side you feel has argued the best. Here is how it played out. The motion, "Pay College Athletes" -- again, it's the difference between the first and the second vote that determines our winner. In the first vote on, "Pay College Athletes," 42 percent of you agreed with the motion, 33 percent were against the motion, 25 percent were undecided. In the second vote, the team arguing for the motion -- their first vote was 42 percent -- their second vote, 60 percent. They pulled up 18 percentage points. That is now the number to beat. The team against the motion, their first vote was 33 percent.

01:34:00

Their second vote, 32 percent. They lost a percentage point. That means the debate goes to the team arguing for the motion, "Pay College Athletes."

[applause]

Our congratulations to them. Thank you from me, John Donovan at Intelligence Squared U.S. We'll see you next time.

[end of transcript]