## **DECEMBER 4, 2019**

## PAYING COLLEGE ATHLETES

THE ETHICS INVOLVED IN COMPENSATING
THE TRUE MONEY-MAKERS OF AN ORGANIZATION

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Since its conception in 1906, the National Collegiate Athletic Association (NCAA) has established and revisited strict bylaws that define what makes a student-athlete and draws the line between collegiate and professional sports. The NCAA's creation was based upon good intentions, as it was inaugurated after a college football season in which 18 student athletes died and another 150 were severely injured, however since its first year, the intentions have always seemed to revolve around the monetization of college sports and the athletes that participate in them. The early movements put into place by the organization essentially meant to align student athletes as similar to every other student as possible; no athletes were allowed to receive extra compensation for their participation in sports. Students participating in sports could only obtain financial compensation for the schooling if other students could also obtain the same compensation. It wasn't until 1948 that the NCAA granted athletes the right to receive payment in order to cover their tuition and school fees, although they still weren't allowed to receive payment for room and board. That early form was certainly not the same as it is today, however, colleges were not able to use potential scholarships as a recruiting tactic or anything of the like; students had to demonstrate the financial need for an athletic scholarship. Years later, as the business of collegiate sports began to shift into the multibillion dollar industry that it has become, Walter Byers, head authority of the NCAA in 1951, pushed for student athletes to receive financial compensation for their room, board, and "laundry money", but he was immediately pushed out of his position in order to prevent him from attempting to push for any more financial compensation. Because his message had already gotten out, the NCAA were forced to allow compensation for athletic scholarships, room, board, and a small stipend. Although the NCAA is registered as a nonprofit organization, it has grown into a

multibillion-dollar conglomerate with individual universities earning upwards of 200 million dollars per year from college athletics, which are built on the student athletes themselves. While the NCAA has made changes to allow financial compensation for scholarships, there are still very strict rules barring student athletes from benefiting from the work they put into their respective sports. The current NCAA bylaws involving student athlete compensation are as follows: Bylaw 12.1.2 states "athletes are stripped of their amateur status and thus their right to participate within NCAA sporting events if they receive payment for their athletic skills," bylaw 12.5.2.1 states "a student-athlete will lose their ability to participate in NCAA sporting events if they are discovered to be receiving payment through commercial advertisement, promotion, or endorsement," and bylaw 12.5.1.1 states "the physical appearance, name, and pictures of a student-athlete can be used by the institution that he/she attends for both charitable and educational purposes. Items that do not single out one particular athlete's name or physical likeness can be sold by the institution or its outlets. Items containing one studentathlete can only be used for informational purposes." (Kaburakis) This can essentially be boiled down into student athletes must be considered amateur sports players in order to participate in NCAA regulated sporting events, going back to the line they wanted to draw between amateur and professional sports, and once they receive payment for anything related to their athletic ability, they are no longer considered an amateur and therefore can no longer participate in NCAA regulated athletic competitions. Beyond that, however, the NCAA and its affiliated universities reserve the right to utilize the name, image, and likeness of student athletes for promotional and educational purposes while they ban any student from benefitting financially from the same thing. There has recently been an increase in popularity of the conversation

around paying college athletes, or allowing them to benefit from financial compensation off of their name, image, and likeness. This conversation was recently spearheaded by the governor of California, Gavin Newsom, signing a bill which will allow college students hire agents and make money from endorsements, which threatens the entire current business model of college sports. Of course, there are ethical issues on both sides of the argument, however the entire argument can be simplified into the fact that an organization is making billions of dollars off of the work of student athletes while those athletes are being penalized for receiving any sort of financial compensation, which anybody should be able to see is wrong (Blinder).

The NCAA unjustly exploits student athletes by not giving them their fair share of the billions of dollars of revenue earned by the organization yearly. While the scholarships those student athletes receive could be considered substantial financial compensation, it is nothing compared to the millions of dollars in television contracts, various other media opportunities, and the salary an average college athletics coach earns on a yearly basis in revenue generating sports, namely football and men's basketball. That point is amplified even further whenever universities lower the academic standards required in order to keep student athletes eligible, a situation that is essentially commonplace among top athletes at top universities (Povich). Those athletes are then able to participate in and win more games, thereby generating even more revenue for the university. Basing an entire organization on the business model of raking in billions of dollars earned on the labor and/or likeness of college athletes while prohibiting them from benefiting from any of it is extremely hypocritical and unethical.

Furthermore, the health and safety of college athletes is something often forgot about when considering the ethics of rules institutionalized by the NCAA. Safety is always a top

priority with most organizations, but the situation becomes unique with student athletes because of the rules governing a player's eligibility. The NCAA's rules state that a student athlete has five years to complete four years of eligibility, which may be petitioned for a potential sixth year if a sufficient medical evidence is provided. This often limits student athletes by causing them to ignore minor injuries for fear of missing out on eligibility, which eventually places them at risk for even more harm. This is where the NCAA receives a lot of criticism for not treating their student athletes like employees, essentially to avoid paying additional medical costs after the organization is finished profiting off of their athletes. While most schools do permit medical coverage for injured players while they are enrolled and an active participant of the team, that coverage may be dropped at any time if a player graduates or is kicked off of the team when they become unable to participate in team activities. This turns into a downward spiral of getting injured, losing a scholarship and medical coverage due to the inability to participate, leaving school due to a loss of scholarship, and eventually being held responsible for medical coverage that the university should have covered to begin with (O'Hanson).

There are many different avenues of media coverage benefitting the NCAA, including media rights fees, ticket sales, corporate sponsorships, and a large amount of television advertisement revenue. In just the past year from television broadcast payments and licensing rights alone, the NCAA generated \$857 million in revenue, none of which went to financial compensation for the student athletes (Parker). One of the largest events for media coverage involving the NCAA is the annual March Madness basketball tournament; it is one of the biggest money-makers for the organization bringing in around \$933 million in revenue annually. The

most lucrative of the NCAA revenue channels is the broadcasting rights of the tournament, which were sold for a 14-year \$10.8 billion-dollar contract to CBS Sports and Turner Broadcasting and resigned to additional 8-year \$8.8 billion-dollar contract (Gough). The division of this ridiculously large collection of money can sometimes be skewed when considering the ethics of making these players play without compensation. The NCAA states that the organization only receives around 4 percent of the revenue earned from the March Madness, while all other revenue is distributed to the colleges and universities based on how many games they participate in. However, 4 percent of the total earned revenue for March Madness is still around \$40 million for an event that the organization is essentially doing nothing for besides governing, and that's just one of the massive events the NCAA governs on an annual basis. Even when taking into consideration the 96 percent of the revenue that is distributed to the participated colleges and universities, most of, if not all of, that money is going towards coaches' salaries or other program necessities, certainly not to the players that participated in the tournament and rendering it a viewable and enjoyable event in the first place. It is extremely unethical for the NCAA to be earning such an absurd amount of revenue from the media rights that that revolve around the student athletes themselves simply by instilling the organization as the governing body of student athletics (Collins).

If we were to consider the most basic of ethical principles, the NCAA violates the respect they should be granting a student athlete's autonomy as well as the beneficence of every athlete participating in college athletics. The organization consistently diminishes the value of a human being putting their body at risk for the benefit of their education, while remaining extremely hypocritical by banning and establishing unjust punishments for any athlete caught

receiving financial compensation for their athletic abilities. The NCAA operates as a nonprofit organization, which by definition states that their business is not conducted primarily to make a profit – more often it means that the profits go back to the organization itself, which is how the NCAA snakes its way through events like March Madness by giving most of the money back to participating universities. However, the student athletes are too often forgot about as valuable, if not the most valuable, members of the organization because without them, there would be nothing from which they could profit. Therefore, student athletes should be compensated financially for their efforts in collegiate athletics.

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