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The second part of the question was what is the advantage of bank and insurance mergers to clients. That's re-

ally the best part of the story.

With the elimination of the artificial restrictions that hampered as in the past, the big winner is the customer who now has a virtually limitless range of opinions available.

Or, perhaps I should say that the customers only limitation would be lack of imagination on our part to dream up new and creative solutions. I can tell you that at Summit, we eagerly embrace the world of opportunity that lies ahead of us.

Now, I'll be glad to take any additional question that you may have.

Academics First

REFORMING INTERCOLLEGIATE ATHLETICS

Address by MYLES BRAND, *President, Indiana University*

Delivered to the National Press Club, Washington, D C, January 23, 2001

As I was preparing to talk to this distinguished group of journalists, I found myself thinking about the question: What makes news? As a professional philosopher, I have a taste for this kind of abstract thought. I've recently received some answers to my question. They came in the form of an object lesson.

Last May, I took part in a news conference on Indiana University's Indianapolis Campus. I entered a large conference room overflowing with reporters and photographers who were waiting to learn the results of our investigation into allegations made against Coach Bob Knight. At that news conference, I announced a set of firm and clear guidelines that were to govern Knight's future behavior as IU's head basketball coach. The event was televised on state and national news programs. It received extensive coverage on the front pages, sports pages, and editorial pages of newspapers across the nation.

Of course, as you know, that's not the end of the story. This past September, we held another press conference. This time, I relieved Bob Knight of his coaching responsibilities. Again, the media coverage was voluminous.

But then I had a parallel experience. In November, we held another news conference in the same room. We announced that IU had received the largest private gift in its history — \$105 million from the Lilly Endowment. The grant the foundation has given us — which is the largest single gift they have ever made — will fund the Indiana Genomics Initiative. As you know, scientists have recently completed a working draft of the human genome. Yet the 3 billion bits of information that make up

the human genetic code are still, for all intents and purposes, alphabet soup. The task now is to translate those codes into words and sentences that tell us how to cure and prevent debilitating diseases such as Alzheimer's, diabetes, and cancer — diseases that are the source of so much suffering.

Our announcement of this remarkable grant received good notice locally, but it was treated as a one-day story. Conversely, the Bob Knight saga played out over weeks and months. While I received thousands and thousands of e-mails expressing various points of view on the Knight matter, the announcement of the genomics project drew only a handful of e-mails and letters, despite the fact that the genomics project will have dramatically greater significance in people's lives.

Clearly, there is a disconnect here. University presidents believe their real job is to preserve and create environments where new knowledge can be discovered, knowledge that makes life richer, more rewarding, and, as in the case of the genome project, more liveable. But often, the public at large sees the university differently. For them, the most visible and vital role played by institutions such as IU is as a sponsor of athletic teams.

Universities must accept a share of the responsibility for this disconnect. Division IA institutions — through their athletic departments — have been eager recipients of profitable television broadcast contracts. With more time to fill, networks demand more games, on more days, at a variety of times. Long before *Survivor* and *Temptation Island*, college sports provided the reality programming that has recently become so popular. Football and basketball

games are relatively inexpensive content featuring real people and unpredictable outcomes. They present a cast of players that changes from season to season, with the coaches taking on star status. The often legendary stars of these dramas are glorified by announcers, many of whom are themselves former coaches.

In pursuit of even more entertainment dollars, many universities have launched an arms race in the building of new settings for these dramas. They replace adequate, if aging, sports facilities, with stadiums and arenas matching the best that pro franchises have to offer. Coaches' and athletic directors' salaries rise rapidly, with many exceeding seven figures. Little expense is spared in training aids, such as video equipment and workout rooms, and there are increased ancillary personnel, including media and marketing people. The number of Division IA athletic departments with expenditure budgets exceeding \$50 M annually is increasing. Yet despite increased revenue, athletic departments tend to over-reach; the vast majority of Division IA athletic programs cannot balance their budgets without university subventions. These subsidies are sometimes overt, but mostly they are buried in the operating budget, for example, in support for physical plant and debt service.

This enormous interest in college sports has led to the blending together of intercollegiate athletics with entertainment, which in turn has led to growing commercialization.

In fact, a recent survey conducted by the American Council on Education showed that the majority of Americans believe sports are overemphasized on college campuses. As James Shulman and William Bowen argue convincingly in their new book *The Game of Life* (Princeton, 2001), the separation between the cultures of athletics and academics on college campuses is increasing, with different standards for admission and academic performance applied to athletes and non-athletes at all program levels.

All this increasingly jeopardizes the essential mission of our universities. In fact, I believe the situation has reached crisis proportions. It threatens to undermine the integrity of a system of higher education that has been widely acknowledged to be the best in the world. This problem will do serious damage if it is left unchecked.

My focus is Division IA programs, and then only football and men's basketball. While Olympic sports, such as track and swimming, and those which have long-standing professional minor leagues, hockey and baseball for instance, are not free of problems, they do not pose as serious and visible a threat as does the crisis in intercollegiate athletics.

As an illustrative case, Indiana University has devel-

oped the nation's finest men's soccer program. Under Coach Jerry Yeagley, the team has won five NCAA titles, including back-to-back championships in 1998 and 1999. The team again advanced to the Final Four this year, losing a triple overtime game in the semifinals. But despite that incredible run of success, the program has been immune to the excesses that would accompany similar accomplishments in higher-profile revenue sports.

How are we to resolve these issues? How can we stabilize, or better, reverse these trends that have been present for some time, but have, in the past several years, accelerated? Two extreme solutions have emerged, each with its strong advocates. One seeks to radically downsize intercollegiate athletics, and the other would separate intercollegiate athletics from its university moorings by professionalizing it. Neither approach is tenable.

The first approach would have universities eliminate high-profile intercollegiate athletic contests and substitute competition at the club sports level. Even the Ivy League does not meet this new, strict standard.

Advocates for downsizing argue that subsidies now being provided to athletic departments would be available for academic improvement. The attention of all — students, alumni and the media — would turn to the academic aspects of the university. Among the supporters of this approach is Professor Murray Sperber, who is, interestingly, also from Indiana University.

The other extreme solution moves in the opposite direction. Through this approach, we are to recognize the inevitability of wholly professionalizing intercollegiate athletics; and, rather than attempt to inhibit this development, we should promote it. The result will be a separation between the university and the athletic teams, or at least men's basketball and football. Athletes would become paid independent professionals who may, or may not, be students. Universities would lease their stadiums and arenas to these teams, which would retain some connection by licensing the school's name and logo, thereby enlisting the loyalty of alumni. The relationship between the universities and these teams would be like that of a city hosting a professional sports team. There would be pride of association and some contractual agreements, but the university, like a host city, would not have operational authority over the team.

This approach, so the argument continues, would release the university from the responsibility for major athletic programs and enable it to focus more fully on its academic mission. Problems of admission and retention standards, exploitation of college athletes, agent representation, and the pressures to have a winning program would disappear or be transferred to the professional organization.

Clearly, both of these extreme solutions have problems. Each is unrealistic. The purported benefits each claims are unlikely to materialize. Any attempt to eliminate a major Division IA athletic program would create an irresistible outcry. Hastening the movement toward full commercialization of basketball and football would likewise be resisted, though probably not to the same degree. But here, too, the inertia and tradition of the current situation makes radical change implausible, at best.

More important, both of these extreme solutions suffer from a deeper problem. They both neglect the positive side of intercollegiate athletics. Intercollegiate athletics, when conducted well and with good common sense, increase pride in the institution. They strengthen the university's connections with alumni, students, faculty, and the broader community. Well-functioning Division IA football and basketball programs generate sufficient revenue to support a wide range of nonrevenue sports, including women's sports. As a result, all student-athletes, including low-income and minority students, have a genuine opportunity to receive an education and graduate.

Successful programs also provide significant economic benefits for their local communities. A football Saturday will generate several million dollars for local businesses. True, turning college teams into professional ones will also have economic impact—but likely not at the same level of many current successful programs. Universities, most especially public institutions, have an obligation to assist their local communities and state economically. Public universities receive tax relief and a portion of their budget from state sources, and they have a responsibility to give back.

Thus, the central issue, is not to find a way to dismantle intercollegiate athletics, but rather to effectively limit its excesses so that its positive features can flourish.

If we are to restore the proper role of intercollegiate athletics we must make an absolute commitment to the academic mission and integrity of the university. James Duderstadt takes this approach in his excellent recent book, *Intercollegiate Athletics and the American University: A President's Perspective* (University of Michigan Press, 2000). Duderstadt served as president of the University of Michigan from 1988 to 1996.

As I said earlier, universities exist to discover, apply, transmit and preserve knowledge. Any activity undertaken by a university must serve, at least indirectly, these purposes. This does not mean that universities are seminars. They are, rather, part of the booming, buzzing confusion of the real world, they are social institutions of enormous complexity and of critical importance to the health and welfare of the country. But it does mean that when a

university undertakes ancillary activities, including entertainment through theater or athletics, those activities must ultimately serve an academic purpose and, crucially, they must not interfere with the university's pursuit of its academic mission.

The two extreme positions, eliminating intercollegiate athletics and wholly professionalizing them, accept this principle of academic integrity. But these approaches reject the additional premise that Division IA athletics contributes to the fulfillment of this academic mission. We must justify that premise, and show that the excesses of intercollegiate athletics can be curtailed.

To accomplish this goal we must renew the reform movement. Call it *Academics First*. *Academics First* is a fundamental commitment to taking the steps necessary to elevate the academic mission and integrity of the university to absolute first priority.

Like all reasonable reform programs, this is a gradual one. There are no silver bullets here. Grand initiatives, such as eliminating all athletic scholarships or paying student-athletes, will create controversy and chaos without bringing about basic change. I am confident that the athletic community can either defeat these initiatives, as it has in the past, or incorporate them harmlessly within the current context. Rather, our attention is best focused on the hard work of taking many steps, all of which are aligned with putting academics first.

The success of an *Academics First* movement depends, I am convinced, in action taken by presidents and their boards. Of course, the NCAA is well positioned to institute specific reforms and ensure their compliance. Since the restructuring prompted by the 1991 Knight Commission report, university presidents have gained significant input into the NCAA agenda. But there are challenges to the NCAA in leading any reform movement. Given its multiple constituencies, including the athletic establishment, there are limits to ability to advocate reform. In one way or another, through the NCAA or otherwise, university presidents must be the driving force for change. Harry Truman had it right. The buck stops here.

Of course, a university president works with the athletic director, the faculty athletics committee, the university's governing board to safeguard the balance between athletics and academics. The athletic director, who is the chief operating officer of the athletic department, must be committed to the primacy of academics, despite the daily pressures of the athletic community and boosters. The athletic department cannot be separated, organizationally or in attitude, from the academic side of the institution. The university's governing board is a president's most crucial ally. Without support of board members, the president will not be able to initiate any

meaningful change or make the hard decisions. The support of IU Board members was crucial to me in making the decisions about Bob Knight. A president embarking on this project will also find able allies in his or her peers. It is not merely that there is safety in numbers, but together much can be accomplished that is not possible unilaterally. There is no natural presidential association to take the lead here; the closest, perhaps, is the American Council on Education, which played a central role in earlier intercollegiate athletics reform movements. But that is a broad-based organization in which Division IA schools constitute a minority of members. Another presidential organization that has been mentioned in this regard is the Association of American Universities. But this suggestion is also problematic. Its membership, which consists of approximately 60 of the academically most elite universities, does not coincide with Division IA universities, and its agenda is primarily focused on research and graduate education.

Rather, mutual support among presidents for athletic reform in Division IA most likely will be achieved at the conference level. In these small circles of similar schools, presidents have opportunities to examine and debate issues and to take action. Conference commissioners also have a key role, in promoting debate and enforcing reforms. If substantial redirection of intercollegiate athletics is to occur, it will likely begin at a conference level and evolve into a collaboration among the leading conferences, including the ACC, Big 12, SEC, PAC-10 and Big Ten.

External groups can play crucial roles as catalysts. The reincarnated Knight Commission may be able to fill that role, and I look forward to its report later this year. Another independent party that can be enormously helpful in forwarding the Academics First agenda is the press. The press has stimulated re-examination through its critical reporting of current excesses. It should also provide positive reinforcement to those universities and conferences that make progress. I assure you that university presidents will be emboldened and their boards supportive when the media make a point of praising those who dare to make a difference. Is that newsworthy? I certainly hope so.

Turning from organizational issues to substantive ones, the most significant current challenges are posed by men's basketball. Contrary to those of athletes in general, the graduation rates for Division IA male basketball players are abysmal. The national average is 42%, measured by the standard six-year time frame. This is approximately 15% below that of the general student body. African American basketball players fare even worse, with only 34% graduating within six years. There are several rea-

sons for this under-performance. Some Division IA basketball players attend college primarily or exclusively to position themselves for a professional career. They see college as a short-term proposition and have no plans to graduate.

Some have suggested freshmen ineligibility as a remedy. Advocates argue that this would allow incoming student-athletes to become academically grounded before engaging in athletic competition. However, it would be unfair to prohibit all student-athletes, regardless of their sport or academic qualifications, from participating during their freshman year. Moreover, if freshmen were ineligible for varsity play, there would be strong pressure to ensure that athletic development would not be inhibited during this time. This, in turn, would likely lead to the return of freshman teams. Freshman teams would provide only modest gains in time for academic pursuits, and the costs of mounting a range of new freshman programs would be problematic, especially when cost containment should be a common goal.

An alternative approach to enhancing graduation rates among basketball players is more promising. At the outset, we should recognize that college is not for everyone, or at least not for everyone at the age of 18. Athletically talented young men should not be forced to attend college just to meet their goal of playing professionally. Pending legislation before the NCAA would redefine amateurism in a way that would permit athletes to participate professionally, giving up college eligibility equal only to the time they did so. This change would work best if it were coupled with the creation of a true basketball developmental league. My understanding is that the National Developmental Basketball League will begin next fall under the auspices of the NBA. I strongly urge the league to accept players directly from high school.

This approach would have favorable academic consequences. More young men who aspire only to play basketball will have the opportunity to do so, without having to stop-over in college. If they then find that they lack the talent for a basketball career, or if they change their minds about a college education, they can return to college and participate collegiately.

Critics might say that this approach will syphon off the most talented players and harm the college game. It is true that some gifted players will not enroll in college, including some future stars. But this could be good, not harmful, for college basketball. It would neutralize some of the pressure to increase the entertainment value and to expand commercialization. More important, it would help ensure that those who enroll in college have a high regard for education, and not just for basketball. There will still be March Madness; but it may be more re-

strained. There will be more upperclassmen on the floor, and the graduation rates of student-athletes will improve. Only those who think the college game should become more like professional sports would see this approach as harmful.

Taking pre-professional basketball players out of the mix of entering college students should help to improve graduation rates. But far more significant steps are needed to ensure that entering students are prepared and that they receive the academic assistance required. The deep problem lies in the K-12 preparation of student athletes. Attempts to solve these problems at the university level come too late to be effective.

Athletic programs do a reasonably good job of providing academic tutorial services. My primary recommendation here is that these efforts should be integrated into university-wide academic services. Such oversight will provide safeguards against academic misconduct of the type that occurred at the University of Minnesota. Integrating the programs with those of the general student body will assist not only academically, but also will help reverse the social isolation of student athletes.

Action by university presidents can be effective, too, in decreasing commercialization of college athletics. Working together, especially through conferences, presidents can limit the times and days when basketball games are played, the number of breaks in games for commercials, the type and prevalence of advertising in the stadiums and arenas, and the logos worn by players and coaches, to name a few examples.

One consequence of limiting commercialization is a reduced revenue stream. That should lead to cost containment and some downsizing of the athletic enterprise, provided that presidents do not succumb to pressures to make up these losses with funds from elsewhere in the university. Is this a good thing? Yes, if the academic mission of the institution comes first.

Will it decrease the institution's endowments? Some believe that successful athletic teams attract large donations and that these funds can then be used to build the institution's academic strength. But this is a myth. Shulman and Bowen provide data to show that in Division IA there is no positive correlation between winning and private gifts.

Similarly, presidents and their boards will just have to say "no" to demands for new facilities and escalating salaries. It is difficult, but not impossible for one president to take this position. It is easier for a conference, if the presidents are willing. And it is eminently doable when a coalition of the leading conferences agrees on joint action.

One especially challenging factor in these efforts is

dealing with celebrity coaches. I have some first-hand experience in this area. Some coaches, through their successes or styles, attract a great deal of media attention. That is not necessarily bad, in fact, it can be good for the university and the athletic program. It all depends on whether the coach is committed to academics first and understands that the university is more important than any one individual, even a celebrity coach. Interestingly, Bob Knight is a staunch supporter of academics, and he had an understanding of the importance of institutional integrity.

In any case, the challenge increases when a coach develops a following independent of the university, when his popularity and style create a fan support system that can influence the institution's governing board and business and elected leadership. Successful coaches often establish decades-long tenure. Thus, a president can be faced with a strong, established support network in dealing with a celebrity coach. In the best case, there is harmony and common purpose - - but not always. When that occurs, the president must, with the concurrence of the governing board, act in the best long-term interests of the university. Once again, the responsibility lies with the university president.

To sum up, intercollegiate athletes, mostly because of Division IA football and men's basketball, is at a crucial juncture. The value system of the entertainment industries and the resulting commercialization are distorting the role and purpose of intercollegiate athletics and negatively affecting universities. Extreme solutions, such as eliminating almost entirely intercollegiate athletics or acceding to the trend toward professionalization, lose the benefits of a well-functioning intercollegiate athletic program. I believe that these benefits can be preserved, provided that there is a revitalization of the reform movement. While we don't want to turn off the game, we can lower the volume.

To do so requires the leadership of university presidents. Of course, they will need help, help from their governing boards, athletic directors, and faculty committees, and help from each other, especially at the conference level. Presidents face pressure from athletic departments and boosters to try to gain an advantage through, for example, new facilities and higher salaries, they must deal sometimes with entrenched coaches whose actions are not always in the best interests of the university. But I have great confidence in my colleague presidents, and I firmly believe that they are best positioned to effectively lead a reform movement to take back intercollegiate athletics. That reform movement should fly the banner "Academics First."

Thank you.