Pony Distress: Using ESPN’s 30FOR30 Films to Teach Cartel Theory

Alice M. Crisp1 and Franklin G. Mixon, Jr2

Abstract

This study provides a roadmap for economics instructors to use a graphical model along with various clips from ESPN’s critically-acclaimed 30FOR30 films series in order to complement classroom discussion of cartel theory, particularly the story of the National Collegiate Athletics Association as a cartel. The two films used here are Thaddeus D. Matula’s *Pony Excess* (2010) and Jonathan Hock’s *The Best that Never Was* (2010). Each chronicles the rampant rules-breaking, or cartel cheating, in college football during the 1970s and 1980s, culminating in the “Death Penalty” at SMU and the collapse of the Southwest Conference cartel.

“The Southwest Conference was maybe the best conference in the country at that time [in the early 1980s].”

*Lou Holtz* (Matula, 2010)

“Some of the people who were SMU’s most prominent, proud supporters – they were extremely creative at finding ways around the [NCAA] rules, or convincing themselves that the [NCAA] rules didn’t apply to them.”

*Brad Sham* (Matula, 2010)

“When SMU went on the ‘death penalty,’ that was also the ‘death knell’ for the Southwest Conference.”

*Brent Musberger* (Matula, 2010)

Introduction and Background

Dating back more than 30 years, economists have described the National Collegiate Athletics Association (NCAA) as a cartel (Koch, 1978). In fact, the literature describing college sports using a traditional cartel approach has burgeoned over that period, and includes work by many luminaries in the field (Becker, 1987; Fleisher, Goff, Shughart, and Tollison, 1988; Fleisher, Goff, and Tollison, 1992; Barro, 2002; Kahn, 2007). Other important contributions in this sub-field of industrial organization include Eckard (1998), Sutter and Winkler (2003), Depken and Wilson (2006) and Humphreys and Ruseski (2009).

1 Department of Economics, Florida State University, 113 Collegiate Loop, Tallahassee, FL 32306.

2 D. Abbott Turner College of Business, Columbus State University, 4225 University Avenue, Columbus GA 31907, Tel (706)507-8052, e-mail: mixon_franklin@columbusstate.edu.
These contributions generally describe how aspects of the NCAA charter, such as scholarship limits, restrictions on compensation, and regulations governing the recruitment of athletes, are used by member institutions to limit competition, thus raising the returns to institutions from participating in collegiate sports.

The use of the NCAA cartel story livens up the discussion of cartel theory in various economics courses, from principles to upper-level field courses in industrial organization and sports economics. Admittedly, however, students are often expecting to hear a cartel story that ends with dissolution, given that traditional microeconomic theory (and texts) highlights the many difficulties faced by cartels in maintaining successful organization over time. Yet, the NCAA, more than 100 years old, does not offer such a cartel story, at least not at a macro level. However, by describing how the once-dominant Southwest Conference formed as a unit of the NCAA, flourished for a time, and then fell apart as a consequence of “cheating,” which is the traditional threat facing a cartel from its individual members, Mixon (1996) offers a cartel model that integrates the NCAA cartel idea and cartel failure (or instability) using components of the NCAA cartel that we describe how to bring into a classroom discussion.

This study provides a roadmap for microeconomics instructors to employ the concepts in Mixon (1996) within the overall story of the NCAA as a cartel while also using various clips from ESPN’s critically acclaimed 30FOR30 films series to complement classroom discussion. The use of movies, television, music, literature, and other aspects of (popular) culture has taken on a greater emphasis in recent years regarding the teaching of economics principles. Mateer (2004 and 2009), Sexton (2006), Mateer and Li (2008), Mixon (2010), and Mateer and Stephenson (2011) provide pedagogical approaches that integrate films and movies into the economics classroom. Use of movies and television clips, as described by Mixon (2001), Sexton (2006), Ghent, Grant, and Lesica (2010), Luccasson and Thomas (2010), and Mateer, Ghent, and Stone (2011), has arguably been the most extensive technique in adopting alternatives to “chalk and talk” in economics courses.

The Rise and Fall of the Southwest Conference: A Graphical Model

As Mixon (1996: 38) points out, within the boundaries of the NCAA groups of institutions have formed smaller cartels or “conferences” that act in the economic (and other) interests of their member institutions. A current example is the Southeastern Conference, which consists of 12 members across Arkansas, Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, South Carolina and Tennessee. Within this southeastern region of the U.S. are its 12 members: University of Alabama, University of Arkansas, Auburn University, University of Florida, University of Georgia, University of Kentucky, Louisiana State University, University of Mississippi, Mississippi State University, University of South Carolina, University of Tennessee and Vanderbilt University. An historic example is the Southwest Conference (SWC), which was formed in 1914-15 and consisted of nine schools in Arkansas and Texas: Arkansas, Baylor, Houston, Rice, Southern Methodist (SMU), Texas, Texas A&M, Texas Christian (TCU), and Texas Tech. In addition to the rules set by the NCAA regarding player compensation, scholarship limits, and other elements of competition, conferences like the SWC traditionally abide by other regulatory and economic arrangements that govern areas such as television receipts, ticket allocations, and bowl payouts. By formulating a sharing formula for television and bowl revenues, etc., the schools within the conference agree upon limits to competition in the same way that all NCAA participants agree to such limits by signing off on scholarship limits and regulations preventing compensation of student-athletes.

---

1 In that way this story joins others, such as the role played by the Inter-fraternity and Panhellenic Councils in governing, in a cartel-like manner, Greek life on college campuses, or how participants on the popular television series, Survivor, band together in cartel-like “alliances” in order to improve the likelihood of advancing through the game (Caudill and Hicks, 2005; Mixon, 2001).

2 Examples of other forms of media and aspects of popular culture for use in pedagogy are also found in the literature. In terms of music, Lawson, Hall and Mateer (2008) and Hall and Lawson (2008) represent seminal pieces instructing economics instructors on how to incorporate music into the economics classroom. The use of literature, as exemplified by Watts (2003), is one of the oldest forms of imparting economics principles to business and economics students. Finally, Lawson (2006), Kjar (2009), and Mateer (2011) offer examples of how to use comic strips, video games, and YouTube videos to, along with the other tools mentioned above, enhance the instruction of economics.

3 Texas A&M University is scheduled to join the SEC in July of 2012.
In order to illustrate the gains from the formation of an inter-institutional social contract (or economic compact) such as that regarding the Southwest Conference (NCAA), Figure 1 provides an application of the graphical model of the constitutional process that is found in Holcombe (1994) and extended in Sobel (1994) and Mixon (1996). The utility possibilities approach in Figure 1 represents an alternative to the traditional, demand-based cartel model that economics students will likely find relatively easy to grasp. There, point $I$ represents the utility levels obtained by two institutions who participate in intercollegiate football. One of these, Texas, represents a “large” organization, while the other, Baylor, represents a “small” organization. Utilities at $I$ represent those acquired when these two institutions retain “independent” status (i.e., they have no conference affiliation) within the NCAA (Mixon, 1996). As depicted in Figure 1, Texas’ utility as an independent exceeds that of an independent Baylor, a notion students will likely understand given that Texas’ size recently allowed it to negotiate a $300 million deal with ESPN to host the Longhorn Network., which is dedicated solely to Texas athletics (ESPN, 2011). Baylor, on the other hand, could not command such attention without affiliating with larger schools, such as Texas or Oklahoma.

**Figure 1 – The Rise and Fall of the Southwest Football Conference Cartel**

Utility possibilities frontier 1, or UPF$_1$, indicates that by forming a conference or cartel with other large/small institutions, both Baylor and Texas can be made better off. Points between $H$ and $G$ on UPF$_1$ are all Pareto-superior to $I$ (Mixon, 1996). A point such as $B$, which lies on the 45° line labeled $E$, represents a utility distribution wherein schools in the conference each receive $1/n$ of the total gains (where $n$ equals the number of conference or cartel members). The SWC began with this type of equal division when it adopted a charter specifying that (1) gate receipts from games between SWC members would be evenly shared, (2) all but the first $300,000$ in bowl revenues earned by a conference (cartel) member would be evenly shared, and (3) 50 percent of television receipts from televised games between an SWC
member and a non-cartel opponent would be evenly shared by the SWC’s other members (Jenkins, 1992; Mixon, 1996).

From 1915 to 1970, the SWC performed better than expected, having garnered wide television audiences and an automatic tie-in (contractual) agreement with the prestigious Cotton Bowl game in Dallas (Mixon, 1996). This success is illustrated in Figure 1 by the movement to UPF2, which lies to the right of UPF1. This movement generated a new set of Pareto-superior possibilities for the SWC, as indicated by those points on UPF2 that lie between J and A. Maintaining the original charter would simply mean a movement up the 45° line to UPF2. However, the two largest institutions – Texas and Texas A&M – used their size to amend the SWC charter in their favor. Completed by about 1990, the new charter specified that (1) gate receipts from games between SWC members would be retained by the host institution, (2) all but the first $500,000 in bowl revenues earned by a conference (cartel) member would be evenly shared, and (3) 20 percent of television receipts from televised games between an SWC member and a non-cartel opponent would be evenly shared by the SWC’s other members (Jenkins, 1992; Mixon, 1996). In terms of Figure 1, these amendments to the charter, which favored Texas and Texas A&M, are represented by the movement from ray E to that labeled F, thus resulting in the utility distribution given by C.6

Clearly, the changes to the charter favored successful teams, thus putting pressure on the smaller institutions to bend and break NCAA rules. In the 1970s and 1980s, several of the smaller SWC institutions had troubles with the NCAA, with the most notable case being that of SMU, which is covered in more detail in the following section. The SWC’s probation problems were so significant that, returning to Figure 1, the organizations utility possibilities frontier had shifted leftward from UPF2. By the early 1990s, Arkansas had defected to the Southeastern Conference, while the larger powers – Texas and Texas A&M – were making plans to move elsewhere as well (Jenkins, 1992; Mixon, 1996). The SWC was formally abandoned in 1996. At the point in 1994 when the decision was made to disband the group, it is possible that the SWC’s UPF had shifted leftward to a position like that of UPF3 in Figure 1. There, at point D along ray F, both large and small schools are worse off than they would be as independents.7 Of course, the largest schools – Texas, Texas A&M, Texas Tech, and Baylor – all accepted invitations in 1994 to join the newly-configured Big 12 conference. Smaller institutions Rice, TCU, and SMU all moved into the Western Athletic Conference, while Houston joined newly-formed Conference-USA (Mixon, 1996). Though the SWC fell apart, an important lesson for students of cartel theory, it is important to note that none ultimately chose independence over conference affiliation.

The Rise and Fall of the Southwest Conference: Clips from ESPN Films

As pointed out by Mateer and Stephenson (2011: 29), film clips motivate and reinforce learning in economics, thus complementing traditional approaches to learning.8 Two films in ESPN Films’ critically-acclaimed 30for30 series offer economics instructors the opportunity to go beyond “chalk and talk” in the area of cartel theory. One of these, Matula’s (2010) Pony Excess, documents the rise and fall of SMU’s football program from the mid-1970s to the early 1990s. In the documentary, Matula (2010) describes how Dallas struggled for decades to overcome the stigma of having been the city where U.S. President John F. Kennedy was assassinated in 1963. However, a boom in oil and real estate in the late 1970s pulled Dallas out of its doldrums. This period coincided with the rise of the Dallas Cowboys, the NFL franchise viewed as “America’s Team” by many (Matula, 2010). As Gil Brandt, the former Dallas Cowboys Vice President of Player Personnel (1960-1989) states in the documentary, “[t]he Cowboys’ success gave the people at SMU a thirst for success.”

---

6 Any allocation of cartel gains, which is depicted by the slope of a line from the origin in Figure 1, is the result of bargaining among the member institutions during the formation stage (Holcombe, 1994; Sobel, 1994). That aspect of the story is discussed in Crisp and Mixon (2011).

7 Any point below X on ray F satisfies the condition that some SWC members will prefer independent status to SWC membership. Points below Y, such as D, are indicative of a situation wherein all SWC members prefer to dissolve the organization.

8 Mateer and Stephenson (2011: 29-30) also provide tips for integrating film clips in the classroom, as well as details about how use of film clips in the classroom falls under fair use exemption in the Federal Copyright Act.
To chase the success of the other SWC schools, and that Brandt describes above, SMU hired Ron Meyer from the University of Nevada at Las Vegas as head coach of the Mustangs before the 1976 season. Meyer had been an assistant coach for the Cowboys during their 1971 Super Bowl championship season, and he had produced a remarkable 27-8-0 (wins-losses-ties) record in three years (1973-1975) at UNLV (Matula, 2010; MacCambridge, 2005). Meyer arrived and thrived in a Dallas that Matula (2010) describes as the new Mecca of Texas economics, where alumni of all of the SWC institutions came together as CEOs and leaders of various business concerns. That convergence meant that university boosters from the nine SWC members placed a premium on bragging rights, and SMU boosters, in particular, were tired of being on the losing end of board room sports discussions.

In their quest for a return to gridiron glory, SMU boosters began breaking NCAA rules regarding paying players and/or their families and associates. Steve Endicott, an assistant coach at SMU from 1976 to 1981, tells Matula (2010) that “[cheating] was a way of life back then.” SMU booster Ken Andrews informed Matula (2010) that all athletes are needed to win in college football, and that getting great athletes back in those days required monetary payments. These comments support Matula’s description of Texas in the 1970s and 1980s – business leaders had money spilling out of their pockets, and in terms of college football, they acted as if in the “wild west.” The perquisites that were being offered to high school recruits at that time included cash, cars, apartments, girls, gambling, clothing, and houses.9 One story recounted for Matula (2010) by Endicott is particularly enlightening:

“We were not going to get Mark Lewis. He was going to [Texas] A&M. We met with Mark and showed him $20,000, and he sat there about 30 seconds, and he looked at us and he said, ‘Coach, that’s not even close.’

These vignettes in Matula (2010) are echoed in another of ESPN’s 30FOR30 films titled The Best that Never Was, which chronicles the brief football career of Marcus Dupree (Hock, 2010). Like Dallas, Dupree’s hometown of Philadelphia, Mississippi, had been scarred by its history, having been the town where three civil rights workers were brutally murdered by members of the Ku Klux Klan in 1964. Dupree’s football exploits at Philadelphia High School took that town on a journey away from its clouded past (Hock, 2010). Dupree was recruited by over 300 schools, many of which had boosters offering him briefcases full of cash, bags of money, and cars for him and his mom. Even Dupree’s uncle, Chuck “Curlee” Connors, was offered $40,000 by one school’s boosters to nudge Marcus’ college choice in their direction (Hock, 2010).10 Tom Goode, then an assistant coach at Ole Miss, described in a story to Hock (2010) that he was approached by the Ole Miss Athletics Director, Warner Alford, and asked what it would take to get Dupree’s signature. Goode told Warner that he believed it was anywhere from $100,000 to $150,000 (Hock, 2010).11

SMU’s Meyer was not immune to participation in NCAA rule-breaking, as he admitted to Matula (2010) that he had once delivered his business card – pinned to a $100 bill – to a high school recruit. Former SMU star Reggie Dupard described the parking lot at SMU as “a Nissan dealership,” and other SMU players admitted that the local Nissan dealer was an SMU supporter who offered free cars to SMU

---

9 Chuck Cooperstein of KRLD Radio (1984-1992) described to Matula stories of “$100 handshakes,” and Harvey Armstrong, who played for SMU (1978-1981), informed Matula that one school offered his family a four-bedroom house (Matula, 2010). Eric Dickerson, the nation’s top high school running back in 1979, tells Matula (2010) that his mother was offered “$50,000 in a briefcase” by Texas A&M, and that he was even offered savings bonds, two Cadillacs, and livestock (cattle) by various universities bidding for his signature.

10 Dupree informed Hock (2010) that recruiters’ cars line both sides of the street in front of his house each day after school. Several coaches were sitting on his porch. His mother gave each one 15 minutes to speak with Marcus and the family about his school. Two weeks before national signing day, Dupree had named Texas, Oklahoma, and Southern Mississippi as his three finalists (Hock, 2010). Oklahoma and Texas then quartered assistant coaches in a Philadelphia hotel for the remaining period in order to maintain their position with Dupree, who would ultimately choose Oklahoma. The recruitment of Dupree was so extraordinary that famed author Willie Morris later penned a book titled The Courting of Marcus Dupree about the situation (Hock, 2010; Morris, 1992).

11 Interestingly, after a roller-coaster freshman year at Oklahoma, coaches feared that Dupree might leave the school and go back to Mississippi. Dupree’s mother was then asked by OU coaches if she needed anything. She replied that she wanted a doublewide mobile home, which was thereafter delivered to her Davis Street address (Hock, 2010).
stars. The boosters of Texas A&M provided one of SMU’s highest profile stars, Eric Dickerson, with a gold Pontiac Trans-Am.\footnote{Meyer described to Matula (2010) how the highly-publicized Trans-Am that Dickerson received from Texas A&M boosters was being humorously referred to as the “Trans-A&M.”} However, when Dickerson signed with SMU, SMU boosters took over the monthly payments (Matula, 2010). This story not only reveals SMU’s participation in NCAA violations, it also implicates Texas A&M. Others interviewed by Matula (2010), including Rod Jones of SMU, and Norm Hitzges of Dallas Sports Radio 1310 (“The Ticket”), implicated other SWC members such as Baylor, TCU, and Rice.

Meyer’s recruiting successes became legendary when, in 1979, SMU signed Dickerson and Craig James, two of the nation’s premier high school running backs.\footnote{A number of very good football players played for SMU under Meyer and/or his successor, Bobby Collins. These include Dickerson, James, Harvey Armstrong, Jerry Ball, Michael Carter, Russell Carter, Reggie Dupard, Mike Ford, Wes Hopkins, Don King, Rod Jones, Bobby Leach, Reggie Phillips, and David Richards, among others.} In the three years before Dickerson and James arrived on campus at SMU (1976-1978), Meyer’s teams had produced an overall record of only 11-21-1. During Dickerson and James’ first three years at SMU (1979-81), the Mustangs were 23-11-0, including a 5-6-0 season in 1979. During their SMU career (1979-82), the team produced an overall record of 34-11-1, including an undefeated (11-0-1) season in 1982 that was coached by Meyer’s replacement, Bobby Collins, who was hired from the University of Southern Mississippi after Meyer left SMU for the NFL following the 1981 season.

Figure 2 depicts the rise and fall of the SMU football program from 1976 through 1995. In 1980, the second year with Dickerson and James, and the fifth year under Meyer’s leadership, the Mustangs were 8-4-0, including a 20-6 victory over then-second ranked Texas. However, 1980 also marked the year that NCAA investigators began probing the SMU football program. That year the NCAA uncovered 29 NCAA violations, ranging from players selling their complimentary tickets to coaches playing racquetball with recruits (Matula, 2010). The NCAA placed SMU on probation for the 1981 and 1982 seasons, a sanction that included prohibition of television and bowl appearances in 1981. Meyer’s response to the violations found by the NCAA was that he believed SMU ran “basically an honest program,” SMU coaches had simply been “shoddy in some bookkeeping methods,” and “those loopholes” needed to be closed (Matula, 2010).\footnote{Many SMU supporters believed that, with all of the rampant cheating around the SWC, the NCAA had simply engaged in “selective enforcement” of its bylaws and regulations when it assigned a two-year probation to SMU.} Unbeknownst to the NCAA at the time, however, was that SMU boosters, who would eventually be led by Texas real estate tycoon Sherwood Blount, had been using a slush fund to pay players for both choosing SMU over other schools and their on-the-field efforts after coming to the Dallas-based university (Jenkins, 1992; Mixon, 1996; Matula, 2010).
Even under the cloud of the 1981-1982 probation, SMU managed a 10-1 record in 1981, including an SWC championship. It was during this season that the tandem of Dickerson and James became known as the “Pony Express.” It was also Meyer’s final season at SMU, as he accepted the head coaching position with the NFL’s New England Patriots (Matula, 2010). Under Collins, Meyer’s replacement, the 1982 SMU Mustangs produced a 10-0-1 regular season record, including another SWC championship. That season ended with a Cotton Bowl win over Pittsburgh and a final record of 11-0-1; 1982 also marked the rise of Blount’s involvement with SMU football (Matula, 2010).

Collins’ second season in 1983 saw the Mustangs go 10-2-0. SMU’s recruiting also became more national in scope, as characterized by the signing of one of the nation’s most heralded offensive linemen in Sean Stopperich from just outside of Pittsburgh. The Stopperich family, which had suffered difficult economic circumstances leading up to 1983, was given $5,000 by SMU boosters for Sean’s signature. The Stopperich’s were also moved down to Carrollton, Texas, and provided an apartment by Blount and others; Sean Stopperich’s father was also provided employment in the Dallas area (Matula, 2010). As Matula (2010) points out, the confluence of SMU’s underground activities with a newspaper war in Dallas between the *Dallas Morning News* and the *Dallas Times Herald* spelled doom for the SMU football program. After 1984, which included another 10-2-0 record and a third SWC championship, the NCAA began its second major investigation of SMU since 1980. The linchpin of the investigation was the Stopperich saga, and the activities of SMU’s main boosters, known as the “Naughty Nine,” were uncovered, leading to SMU’s second two-year probation in 1985. This time, the penalties were much more substantial—the team could not offer any football scholarships in 1985, and in 1986 it could offer only 15 football scholarships (Matula, 2010). Television and bowl participation prohibitions were also facets of the 1985-1986 probation.

The second probationary era took a toll on SMU’s football program, which managed 6-5-0 records in both 1985 and 1986. Blount and the other boosters, however, had not relinquished their hold on the program, continuing to make payments to players who had joined the SMU football program before the second probation in 1985. At a secret meeting in the spring of 1985, former Texas Governor and then-Chairman of the SMU Board of Directors, Bill Clements, allegedly demanded that the boosters cease payments to players—payments that Clements knew were occurring (Matula, 2010; Jenkins, 1992; Mixon, 1972).

---

15 As Matula (2010) indicates, the 1970s Watergate scandal that had made household names of *Washington Post* reporters Bob Woodward and Carl Bernstein created a belief among large-city journalists that fame could be attained through investigative reporting. Both of Dallas’ newspapers had assembled cadres of acclaimed sports reporters, many of whom endeavored to improve their professional reputations by investigating claims of rampant cheating at SMU (Matula, 2010).

16 Many of those interviewed by Matula (2010) described much of SMU’s probation difficulties in 1985, and later in 1986, as resulting from the inability of the outside regime of Bobby Collins (1982-1986), Meyer’s successor, to contain the cheating apparatus that had arisen around the SMU football program as well as Meyer had been able to manage it from 1976-1981.
Clements was informed by Blount that all involved continued to have “a payroll to meet,” referring to promises and quasi-contractual agreements that the “Naughty Nine” had made to then-prospective SMU players (Matula, 2010; Whitford, 1989; Jenkins, 1992; Mixon, 1996).

In 1986, after allegations from another former SMU player named David Stanley of payments, the NCAA began its third investigation of SMU in just seven years. Through information provided by Stanley, NCAA investigators learned of the “Naughty Nine’s” commitment to its infamous “payroll,” and the NCAA gave the SMU football program the so-called “Death Penalty” in February of 1987 (Whitford, 1989). This decision prohibited SMU from participating in college football during the 1987 season, a punishment that SMU administrators extended through the 1988 season as well (Matula, 2010). The effects of the “Death Penalty” given to SMU, and the probationary sanctions handed down during the 1980s by the NCAA to Texas, TCU, Houston and others are easily seen in Figure 1 with the shift from UPF 2 to UPF 3 (Fleischer et al., 1992; Cartwright, 1995; Watterson, 2000). What is predictable from Figure 1 is that by the early 1990s, Arkansas had defected from the SWC, while the larger powers – Texas and Texas A&M – were making plans to do the same. By 1996, the SWC was formally abandoned.

A Pedagogical Playbook

The pedagogical stories regarding violations of the NCAA cartel’s rules described in section 3 above are summarized in Table 1. Table 1 also includes the location (i.e., hours:minutes:seconds) and duration (in seconds) of each film clip on the relevant digital video disc, which is identified in the first column. As mentioned earlier, Mateer and Stephenson (2011: 29-30) provide a thoughtful framework for using film clips in an economics course. One suggestion they offer is that instructors should employ only one or two different films in a single class session, and that past practice suggests that clip lengths of one to two minutes each work best.

As the information in Table 1 indicates, 27 of the 35 clips that we describe from the two ESPN 30 FOR 30 films run for no more than 120 seconds. Among the eight clips exceeding 120 seconds, there are opportunities in each case to build various clips that meet this criterion. As Mateer and Stephenson would suggest (2011: 29-30), it is best that instructors obtain a copy of the 30 FOR 30 film(s) that they plan to use so that the clips listed in Table 1, and described in the preceding section, can be previewed so that the content matches the day’s lesson. A few of the clips listed in Table 1 contain instances of foul language, another pitfall discussed in Mateer and Stephenson (2011: 29-30) that can be easily avoided through previewing, though the ESPN 30 FOR 30 production team has “bleeped out” each utterance.

---

17 At the time of the meeting, Clements was a gubernatorial candidate in the 1986 election for Governor of Texas (Matula, 2010).
18 Clements was later publicly stated that “we chose a phase-out system” regarding the impermissible payments to SMU football players (Matula, 2010).
19 Stanley claimed to have received $25,000 for signing with SMU in 1983, and that his mother was provided $350 per month from SMU boosters. WFAA-TV Dallas sports reporter Dale Hansen became a household name in Dallas as a result of his investigative work on Stanley’s experiences with SMU (Matula, 2010).
20 The NCAA’s “Death Penalty” was established at the NCAA Convention in 1985, partially in response to what had been occurring at SMU. The atmosphere on the SMU press room was so tense on the day the NCAA gave SMU the “Death Penalty” that David Berst, the NCAA Director of Enforcement, fainted before reaching the podium to make the announcement (Matula, 2010).
22 Mateer and Stephenson (2011) suggest using Netflix for the purpose of obtaining DVDs. They also suggest checking with the university’s library for copies. The two ESPN 30 FOR 30 films described herein were obtained by the authors from Barnes and Noble bookstore (www.bn.com).
23 The Table 1 clip titled “Eric Dickerson’s Recruitment” includes use of an abbreviated foul term that is not “bleeped out.”
A few of the film clips listed in Table 1, such as those concerning the economic history of Dallas and the civil rights struggles in Philadelphia, Mississippi, would not likely be candidates for use in a principles of microeconomics or industrial organization course. In economics courses where fewer topics may be covered, but each one in greater depth (e.g., sports economics, economic issues), clips such as these may be more useful. Some of the clips, such as the story of the 1980s Dallas sports media war and the impact of the Watergate scandal on news media in Dallas, might be worthwhile to instructors of media economics courses.

### Concluding Comments

Economists’ application of the cartel model to the NCAA has made for an attention-grabbing example of cartel behavior for use in economics courses. However, the NCAA story offers little in the way of cartel failure, given the organization’s long history. That issue is addressed through the graphical model and clips from ESPN’s 30FOR30 film series that are detailed here regarding the rise and fall of the Southwest Conference. This history provides a compelling approach to teaching cartel theory in principles of microeconomics, industrial organization and sports economics courses.
Instructors and students who are keenly interested in cartel theory as applied to sports should also consider the ESPN 30for30 film, Small Potatoes: Who Killed the USFL? This film (Tollin, 2010) details the success of the NFL in maintaining its monopoly power through collusion despite competition during the 1980s from a spring football league (i.e., the United States Football League). For students less familiar with football, it may be advantageous to explore cartel successes or failures in other NCAA sports and/or at lower levels of NCAA participation. For example, does the large degree of donor and booster involvement in NCAA football programs lead to more cheating than in other NCAA sports? An analysis of the elements that either nourish or damage the opportunities for cartel creation and success may even lead students to apply analytical skills to other potential cartel arrangements.

References


Cartwright, Gary. 1995. “0:00 to Go: Time has Run Out on the Southwest Conference, But What a Time it Was.” Sports Illustrated, 30 October: 72-78.


Hock, Jonathan 2010. The Best that Never Was, Bristol, CT: ESPN Films.


