The Public University and Public Pressures

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Recommended Citation
The headline read, "Nike Cuts Off Funds for 3 Universities." This should surprise no one.

From its inception public higher education in the United States has been the creature of outside forces. As public institutions American universities have been subject to the whims, wishes, and serious political agendas of the public and private interests and powerful people representing each.

As institutions created to serve the public interest and governed by boards of trustees they have been watched carefully to be certain they do serve such interests. By and large trustees have not come from the academy, but rather from the ranks of successful businessmen. Indeed business leadership played a significant role in the creation of public higher education.

In a world of booming technologies and complex organizations of the late 19th century the university became the supplier of skilled workers and managers to direct and drive the new industrial world. This was always more important than the pursuit of truth or in serving as an engine for social reform. By the end of that century a cadre of professional administrators of higher education had emerged. They quickly learned how to move up the career ladder, and the result was a class of university administrators attuned to the needs of the power forces in society.

Nor did government remain on the sidelines. As America moved to empire, the American university naturally moved in service of the same impulse. By the middle of the 20th century, World War II and the Cold War helped create a Military-Industrial Complex for a growing university system to serve. It also had created a university system more attuned to research than any other mission.

Three recent histories of what is characterized as "The Cold War University" document this development and trace the power and influence of the M-I Complex on the university. Private industry and the foundations too had their needs for science and technology. Research money was
spread through higher education to those willing to serve these institutions.

In this largesse government and business came to have an additional influence on the university beyond the Boards of Trustees. Those deemed politically suspect would not receive the grants and their careers were stunted. Those working on controversial projects like birth control saw their foundation grants cancelled or dry up. Those allowing too much student unrest saw their budgets pinched. Ronald Reagan's rise to political power in California was predicated on such an attack on the dissidents in the university system.

So now we see these forces surfacing in the world of intercollegiate athletics, as sport has become an enormous business capable of creating millionaires. Enter Nike and Phil Knight.

Mr. Knight has been irritated over the repeated attacks on Nike labor policies in the third world, attacks that have attracted support from politically active college students across the land. These students have created and joined an organization called the Worker Rights Consortium (WRC) which also has AFL-CIO support. Brown University students were among the charter members, while the universities of Oregon and Michigan have also joined.

Apparently Phil Knight doesn't care for this development and has struck back. As an alumnus of Oregon, Knight had become a major contributor to the university giving $50M over the years, and he was planning to give an additional $30M for renovation of the football stadium. That has been withdrawn.

Michigan has a multi-million dollar contract with Nike as the exclusive supplier of team equipment. Brown's hockey teams also had such contracts. Those contracts are up for renewal and Nike has broken off negotiations. This will cost Michigan some $25M over six years. Brown will lose a considerably smaller sum.

Nike has massive contracts with at least 50 additional universities across the nation; not to mention those million-dollar endorsement deals with college coaches. And Nike is not alone in this process. Most other shoe dealers, uniform suppliers, and other sports sponsors such as Pepsi
and Coke are major revenue suppliers to university athletic programs.

Notorious for their expanding budgets university athletic programs have an addict's need for what athletic directors term more "revenue streams." So when someone as significant as Phil Knight speaks through his money, the addicts will listen. In the end they will comply or they will pay the price.

Phil Knight should not be condemned for his actions. He is only doing what great men of business have always done. Universities have been bought and sold for well over century. The only difference recently is that it is more difficult for the university to play the role of victim or proclaim their innocence.

"There is no such thing as a free lunch."

On Sport and Society this is Dick Crepeau reminding you that you don't have to be a good sport to be a bad loser.

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