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A Fistful of NIL: Have We Entered a “Wild West” Recruiting Era?

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Changes about the National Collegiate Athletic Association’s (NCAA) Name, Image, and Likeness (NIL) policy impacted the world of college sports in the summer of 2021. Emerging from the dust of this seismic event was an apparent new frontier for athletes, coaches, and universities to explore. The NCAA had broken from its long-held stance on athlete compensation. Indeed, athletes could now profit from their name, image, and likeness. This meteoric shift, though heralded as long overdue in pressrooms throughout the United States, was also simultaneously criticized for what would happen in the new frontier. In the eyes of many, college sports had now entered a “Wild West” frontier because of NIL, especially as it pertains to recruiting athletes. But what does that really mean, “Wild West”? And further, if such a comparison is at least somewhat accurate, are there lessons that can be learned from other sectors who likewise experienced supposed western-like eras? To start to address these questions, consider this example from the mid-1990s.

The World Wide Web launched in 1989, which then led to myriad internet and tech-based start-ups. The internet frontier was just being discovered, which gave way to the dot-com bubble (or dot-com boom) and the eventual bursting of that bubble. Specifically, between 1995 and early 2000, the NASDAQ Composite index rose 400%. That peak, which occurred in March 2000, fell 78% by the end of 2002. All gains acquired during the bubble were lost. Around \$5 trillion in market capitalization had been erased since the peak in March 2000 (International Banker, n.d.).

If you lived through the dot-com boom and bust, you’ve now seen one frontier give way to new ones. From the dot-com bubble to the new blockchain and bitcoin boom, with the emergence of new goods and services often comes comparisons to the “Wild West.” The launching of the World Wide Web, bitcoin, and now NIL, each of these developments has been accompanied by western references. However, according to historian Richard White, “Wild West” comparisons may not always be used in the intended fashion (Kraus, 2018). This brings us to the first question that was posed. Namely, what does “Wild West” really mean?

How many Americans (and probably non-Americans) view the “Wild West,” is expectedly rooted in cinematic portrayals of cowboys, gamblers, outlaws, bounty hunters, and gunfights at high noon on dusty streets. Iconic figures such as John Wayne and Clint Eastwood still loom large over the western film genre and they, along with classic films like *True Grit*, *The Good, The Bad, and The Ugly*, and the

more contemporary *West World* series, have likely obfuscated how the general population understands the actual American Frontier. Indeed, invoking the “Wild West” is typically used to reference a chaotic environment that is desperately in need of policing via an authority figure such as a sheriff or marshal. Just recently for example, the CEO of Binance, the world’s largest exchange for Bitcoin and other cryptocurrencies, called for a sheriff (some sort of global regulator) to come to town and help tame the wild crypto frontier (Associated Press, 2021). However, according to White, a historian at Stanford University, this is more of a movie metaphor than historically accurate comparison. A more accurate interpretation is that The West, though a warning about the need for law and order, is also a cautionary tale about keeping a watchful eye on the individuals who are shaping regulations and who those regulations benefit the most. To make this case, White points to parallels between big internet companies and the railroad corporations of the late 1800s. Through corrupt bargains with the regulators (the government), the railroad corporations were able to dominate the direction and future of the western landscape for a considerable period of time. Contemporary internet companies, such as Google and Meta (formerly Facebook) have acted in much of the same way as the railroad corporations of old. Thus, when held up to the lens provided by Professor White, observations of NIL and the new landscape of collegiate sport recruiting come into a different degree of focus.

Sport is a competitive labor market and in competitive labor markets, recruitment theory and scholarship point to recruiting effectiveness being a function of recruiter and organizational characteristics (Berkson et al., 2002; Magnusen et al., 2014). Athletic programs have varying degrees of resources (e.g., reputation, on-field success, scholarships, NIL opportunities) and coaches who are socially effective will be better able to identify and leverage those resources through influence strategies and tactics to sign highly desirable recruits than coaches who are less socially effective (Treadway et al., 2014). Job choice theory (Behling et al., 1968), for example, is a combination of objective, subjective, and critical contact theories. According to the objective theory component, recruits are economically driven (i.e., scholarship opportunity, benefits, location, job responsibilities). Subjective theory positions recruits as being influenced more by their desire to fulfill psychological needs than their desire for additional economic rewards. With critical contact theory, recruits are expected to make decisions based partly on recruiter characteristics and their social exchanges with the recruiter (e.g., head coach). Thus, through some combination of subjective, objective, and recruiter factors, coaches will attempt to persuade and sign desired athletes for their sport teams.

This brings us back to the “Wild West” comparisons. The advent of NIL marks a new era in college sports. The shift is certainly seismic and because of the historic nature of the departure from the NCAA’s traditional way of doing business (as well as lack of clear governance guidelines), there is great curiosity as well as uncertainty amongst interested stakeholders as the new frontier is being explored and its boundaries probed. Indeed, NIL is a resource that coaches (recruiters) are now gauging how best to leverage to sign recruits. The University of Texas, for example, offered offensive linemen (who are on scholarship) \$50,000 annually for their NIL to support charitable causes (Thompson, 2021). The University of Miami, in connection with American Top Team (a chain of mixed martial arts gyms), offered a \$500 month contract to all the football team’s scholarship players to advertise for the gym on social media (Braiterman, 2021). These instances are just a small sampling of examples that have contributed to “Wild West” comparisons and calls for oversight. Consider this tweet from former Auburn coach, Gene Chizik (Chizik, 2021):

Every scholarship offensive lineman at Texas will get \$50,000/yr with new NIL deal,” former Auburn coach Gene Chizik tweeted. “Not to mention the 200,000 education. Americans struggle finding \$50,000 jobs to feed their children. Next it’s 100,000/player with no end in sight. Flawed system!!!! Most \$\$ wins!”

However, such calls for regulation appear to be more grounded in the movie metaphor comparison than the historical observations provided by White.

Much of the NIL focus amongst media personalities, coaches, and fans seems to be on a shiny, new resource that is disrupting the status quo and therefore requires a law bringer to ride into town and render order to the chaos of the unexplored sport terrain. In this case, the law bringers are going to be the federal government, NCAA, conferences, schools, state governments or some combination thereof. This is the focus instead of recognizing The West for what it actual was and could be for new frontiers, a warning and valuable lesson. The valuable lesson is to not only call for order but also carefully monitor the individuals and entities who supposedly can bring order and how those who call for order and deem to bring order stand to benefit from regulations. Thus, the answer to the “Wild West” question with the NIL frontier in college athletics is to move past the cinematic illusions of heroes bringing order to the lawless wilderness and recall how The West was truly built through the interactions and partnerships of the railroad corporations and United States government. By concentrating on the latter instead of only the former, heavily scrutinizing and holding accountable the potential architects and regulators of the new NIL frontier enters the frame and becomes part of the sightline of all of those who have a vested interest in the future of college sports.

In addressing the first question a foundation is then laid for answering the second question. Are there lessons to be learned from “Wild West” eras? The answer is, yes, and the lessons to be learned make particular sense when considered alongside the perspective laid out by White. Namely, do not only focus on the need for order but examine who will bring the order and how those who bring order most benefit from said order. Policy is power and those who shape NIL regulations will have control of the new frontier. Hence, there is a need to think about who really wins (i.e., gets paid) beyond just the players in the new frontier.

What does the dot-com boom and westward expansion with railroads have in common? These events laid foundations that have and will continue to impact the United States for generations. Westward expansion led to the formation of the transcontinental railroad. Traveling from coast-to-coast became possible, which also changed where Americans could live. Commerce was also made possible on a tremendous scale (Kiger, 2019). In fact, the United States freight rail network remains immensely valuable to this day. It runs on nearly 140,000 route miles and represents an industry worth approximately \$80 billion (United States Department of Transportation, n.d.). Comparably, the dot-com boom led to the laying of a comprehensive fiber-optic cable network throughout the United States. This network served as the foundation for the future of the internet. According to Brian McCullough, internet historian and author of the book, *How the Internet Happened: From Netscape to the iPhone*, “All of the money poured into tech companies in the first half decade of the Internet Era created an infrastructure and economic foundation that would allow the internet to mature” (McCullough, 2018). In short, products and policies can come from booms that catalyze future development for generations.

What happened in The West is felt in the present. What happened during the dot-com bubble is felt in the present. And what happens with NIL will be felt in the future. That is why it is so important to not get distracted and decry the current state of NIL as in need of swift and commanding governance every time a new and creative NIL opportunity is capitalized on by an athlete. Examples, like those from the University of Miami and Texas, fuel the media blitz but such a blitz does little to help the future of college athletes. Giving way to knee-jerk reactions about the NIL frontier, such as the one tweeted by Gene Chizik, could lead to ironic and long-standing consequences in that after decades of key stakeholders’ calling for less NIL regulations in college sports, when it happens and the market responds with considerable creativity, many of those same stakeholders now want order and regulation.

NIL is here, college sports is changed, and regulation of NIL will in time become more established

and uniform. However, until that happens, until the NIL tracks have been firmly laid, there is a tremendous opportunity for key stakeholders, especially athletes, to chart the course of future development. Consider how Travis Hunter, the nation's No.1 overall recruit, flipped from Florida State, a historic, Power Five program to sign with Jackson State, a Football Championship Subdivision (FCS) and Historical Black College and Universities (HBCUs) (Geddes, 2021). Though disputed by Coach Sanders, the flip is thought to be linked in part to a potential NIL deal with Barstool Sports that could be worth millions to Hunter (Lyons, 2021). Jackson State landing the No.1 football recruit in the nation showed that the traditional schools, the seemingly oligopolistic Power Five institutions, may not hold all the cards in the new college sports landscape. NIL has ushered in a new landscape for college sports. Exciting days are ahead as boundaries are explored, tested, and defended. It remains to be seen how long the status quo will be disrupted. Therefore, rather than only focus on the need for order, there needs to be a keen eye on those who demand regulations and seek to shape NIL regulations because whatever foundation is ultimately laid with NIL, much like the railroads of the 1800s and fiberoptic cables of the late 1900s, it will impact how college sports is experienced for generations.

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