

What goes up  
might be coming  
down  
**Land 2**



# NCAA casting wary eye on betting

University paper shows big favorites are susceptible to 'putting fix in'

BY ARNOLD M. KNIGHTLY  
BUSINESS PRESS

*The NCAA wants to send a clear message that money does not have to be involved in order for the NCAA basketball tournament or other sporting contests to be fun. — NCAA Backgrounder on Sports Wagering released March 9.*

When Justin Wolfers was growing up in Australia, he spent a lot of his self-described "misspent youth" working for bookmakers and professional gamblers.

Now as an economist at the University of Pennsylvania's Wharton School, he looks at gambling from a scientific point of view. The professor's latest paper is starting to make ripples through the National Collegiate Athletic Association. With the straight-forward title, "Point Shaving: Corruption in NCAA Basketball," Wolfers dissected over 73,000 Division I basketball games from 1989 to 2005 to look for patterns of corruption.

"This is sort of an attempt to marry my youthful passions a little more with what I'm actually doing as a real re-



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**A nearly five-decade ban that forbids betting on UNLV and University of Nevada, Reno sporting events was lifted on Feb. 7, 2001. During the Rebels' 1990 championship run, the gaming industry lost millions in potential revenue because of the ban.**

searcher," Wolfers said.

Finding useful data in 44,120 games, the research led to a conclusion that point shaving is more likely to happen in games with large spreads of 12 points or more. In overall games, the favorite covered the spread 50.01 percent of the time, but at 12-points and greater, favorites covered 48.37 percent of the time.

### POINT SHAVING

The paper suggests that point shaving "may" be a problem, estimating that 6 percent of the heavy favorites may have "manipulated their performance." That would "suggest" 1 percent of all college games "involve gambling-related corruption."

"If you did think there was suspicious activity going on it may be hard to pick it up in any individual game," Wolfers said. "But it may potentially leave footprints in the data."

With the traditional time of year known as March Madness in full swing, betting on college basketball is in high gear at sports books in Nevada and office pools around the country.

From the large sports book at the Mandalay Bay to the small counter operation at the Silver Nugget in North Las Vegas, casual fans and professional gamblers converge in the belief that their hopes and hunches are right.

While many come to Las Vegas during the three-weekend tournament to watch the action on the sports books' big screens, this year a new visitor, the NCAA, is also in town watching the action on the big betting boards.

### MONITORING BETTING LINES

While the NCAA continues to publicly describe its stance on gambling as nonnegotiable, the governing body announced that it planned to monitor betting lines in an effort to learn how to better search out trends that may reveal illegal activity in sports betting. On a larger scale, and with reflective data, that is what Wolfers attempts to do.

"The question you could ask yourself is if there were a systematic pattern of corruption, would that leave a systematic pattern behind," Wolfers said. "Then you start to picture what the systematic pattern could be."

Rachel Newman-Baker, NCAA director of agent, gambling and amateurism, is trying to work on reestablishing a relationship with Nevada. The governing body wants Las Vegas gaming to assist the association in helping to monitor lines, but also to better educate the NCAA on gaming operations.

"Instead of shying away from it and not being involved," Newman-Baker said, "actually, get more of an understanding of what they do."

To that end, the NCAA sent an observer to spend time with odds makers and



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**MGM Mirage opened its plush new sportsbook just in time for March Madness.**

sports book directors to observe the opening weekend of the NCAA basketball tourney from inside the only legal sports betting operation in the country.

"Obviously, they've offered an olive branch," Robert Walker, race and sports book director for MGM Mirage, said. "I think we made some inroads this time and I think several years down the road there might be a time when there's a comfort level. The one thing we are on the same page on is the integrity of the game."

Las Vegas gaming does have a history of working with the NCAA by playing a key roll in exposing the Arizona State point-shaving ring in the mid-1990s. But looking for patterns in games that are highly visible and where the stakes are higher for the teams, like the tournament, may not be the right place to start.

"In the NCAA tournament, and I said this to the NCAA in person, with these games on TV and millions and millions of people watching, it is the least of my concern that someone would do something in the NCAA tournament," Walker said.

### A BIG PRIORITY

The "NCAA 2003 National Study on Collegiate Sports Wagering and Associated Health Risks" laid out the organization's assertion that the "issue of gambling has been of significant importance to the NCAA membership for the entire existence of the Association."

The study claimed "2.1 percent of men's basketball players were asked to affect the outcome of a game." In the end, 0.5 percent reported actually taking money.

Not that the NCAA doesn't have worry grounded in history. In 1951, players from Manhattan College, New York University, City College of New York, Toledo and Bradley University were among 32 athletes from seven schools who were arrested for fixing 86 games between 1947 and 1950. Twenty players and 14 gamblers were eventually convicted. A year later, a point-shaving scandal touched defending champion Kentucky, which was put on probation for similar violations.

Thirty years later, a former Boston College player was sentenced to 10 years in prison in a point-shaving scandal. Tulane shut down its basketball program for three seasons following gambling allegations against its athletes in 1985. Point-shaving scandals at Arizona State and Northwestern also tarnished the

game's reputation, and ironically, that of legalized sports betting in Las Vegas.

"When it comes to issues surrounding point shaving or issues that may affect our game, both sides are very much on the same page," Newman-Baker said. "So instead of spinning our wheels and working against each other, let's try to work together on this."

According to Walker, if the customers do not believe what they are watching is real and trust in the legitimacy of the sport declines, then people will lose trust in the process. Point-shaving not only hurts the NCAA, it also hurts Nevada gaming.

### 'LOOKING FOR AN ANGLE'

"We can't control it and we're not going to stop it," Walker said. "The problem is when there is big money involved there is always going to be people looking for an angle. What we're trying to do, like the NCAA, is make sure the game is on the up and up."

The NCAA takes any form of betting by its athletes and coaches seriously. In 2003, former Florida State quarterback Adrian McPherson was charged with gambling on pro and college games. Although his misdemeanor trial ended in a deadlock, his college career was over.

The NCAA also takes a firm stance on the popular tournament-bracket office pool. Labeling pools as an "entry for youth to begin betting," the NCAA feels that the money involved "could negatively impact the spirit of the sport."

Washington Huskies head football coach Rick Neuheisel was fired for wagering on the NCAA basketball tournament by entering a high-stakes pool, winning \$12,000. A lawsuit was later settled with the university and the NCAA for \$4.7 million for wrongful termination.

The NCAA sends out an anti-wagering brochure to athletic programs, and this year an official from the association was scheduled to hold meetings with all 32 teams participating in the men's and women's regional tournaments. Newman-Baker herself was in Atlanta last Wednesday giving a presentation to the four men's teams playing the next day in the regional.

"The fact that they spend all this effort worrying about gambling tells you they're worried there's a problem," Wolfers said.