



Outside the Lines

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Are Baseball Arbitrators Biased?

By Steve Walters

Owners have won 57 percent of the 463 salary arbitration cases decided since 1974. Play the arbitration game 162 times, in other words, and it's likely the owners will be a 92-win juggernaut and the players a 70-win also-ran.

Before we take that lopsided record as evidence that baseball arbitrators are biased against players, however, we need to dig deeper. It may be that owners are simply more cautious about formulating offers than are players. If risk-averse owners typically adjust their offers upward in order to increase their probability of winning, the aforementioned figures might be totally compatible with a fair system.

To test for bias in baseball's arbitration system, my colleague John Burger and I applied a fairly standard economic model of arbitrator behavior to 391 decisions dating from 1979 to 2002. For a full explanation of our procedures and findings, interested readers can check the Spring 2005 issue of the *Journal of Labor Research* (v. 26, no. 2). What follows gives the flavor of our study.

In the final-offer arbitration system used in baseball, owners and players submit their final salary offers, a brief hearing is held, and arbitrators use information gathered at that hearing to choose one of the two offers. Splitting the difference between the two or specifying any other figure is not permitted. (For details on the mechanics of baseball arbitration, see the fine summary by Thomas Gorman, "The Arbitration Process: The Basics," at www.baseballprospectus.com, article number 3732 [January 31, 2005].)

Most studies of arbitrator behavior assume that arbitrators estimate the "fair value" of an employee and then decide in favor of the party whose offer is closest to that amount. In determining this benchmark value, baseball arbitrators are directed (in the sport's Collective Bargaining Agreement) to "give particular attention, for comparative salary purposes, to the contracts of Players with Major League service not exceeding one annual

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General Managers Project

There is good news on the GM Project.

John Matthew has provided complete GM information for the history of most teams, much of which was sent to him by other committee and SABR members. Mary Groebner has graciously input the GM data into a spreadsheet. Gary Gillette has located all of the missing GM data, which will be added to the file soon. After a final round of proofing and editing, the committee should be able to publish the GM data by Opening Day.

Even better news is that Maury Brown and Simon Connor have finished compiling lists of team owners and presidents. This information also needs to be vetted for accuracy, but it should be ready for publication by the committee sometime in April.

Business of Baseball Committee Meeting at SABR 35 in Toronto

The Business of Baseball Committee is scheduled to meet at 4:00 p.m. on Saturday, August 6, at the Toronto convention.

A presentation on the Business of Baseball in Canada is

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73—And *No* Asterisk!

By Gary Gillette

It's hard enough for any baseball fan to find anything positive in the steroid scandal that continues to plague Major League Baseball, but the relentless grandstanding that the media and politicians have been indulging in lately has gotten completely out of hand.

Politicians grandstanding? *Quelle surprise*. Sportswriters, columnists, and broadcasters are a different story, however. Virtually none of these guys—who have had press passes for all those years—wrote anything or said anything in front of a camera or microphone about steroids for attribution. Yet they are breaking their legs jumping on the bandwagon now that it's safe to say, "I told you so."

As the volume of hot air expands exponentially, one of the favorite topics is whether the home run records of recent vintage should be stricken from the books or asterisked in some way to denote that they are tainted. The simplicity of this notion has combined with the tsunami of public anger over the still unfolding steroid story to create a perfect storm of righteous indignation about the sullying of some the game's most important records.

All too often, however, simplicity leads to simplistic solutions, and the suddenly fashionable asterisk is a remedy that is neither right nor necessary. The simple truth is that *all* major league home run records have been controversial—both when they were set and for decades afterward. The steroid *tsimmis* may be a different kind of controversy, but the ultimate result is nothing but more of the same. The story of the first important home run record imparts a lesson that should have been learned a century ago.

The earliest home run record of consequence was set by Ed Williamson, third basemen for the Chicago White Stockings [now the Cubs]. Williamson hit 27 home runs in 107 games in 1884 in Chicago's Lake Front Park, which might seem like a Ruthian feat given the playing conditions of that age. What was so controversial? Lake Front Park had a left-field foul line 180-feet long, turning what should have been easy fly balls into round-trippers. The wooden park, which was rebuilt in 1883, had power alleys of 280 and 252 feet, measured only 300 feet to dead center, was only 196 feet down the right field line, and had a capacity of only 5,000 souls—cozy enough confines for a beer-league softball game.

Prior to 1884, balls hit on the fly over that tempting left field fence at Lake Front Park were, quite reasonably, considered ground-rule doubles. Indeed, the National League hit a total of 124 homers in 395 games in 1883, for a rate of 1

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A View from Japan *by Yoshihiro Koda* *International Championships?*

As I wrote in the last issue of *Outside the Lines*, Japanese online business giant Softbank has joined baseball by buying the Hawks, a Pacific League club based on the western city Fukuoka. Softbank founder Masayoshi Son is regarded as one of most active and successful businessmen in recent Japan. He serves as Chairman of the Fukuoka Softbank Hawks.

Following the last year's difficult discussions about reorganization, Japanese baseball organizers are showing more interest in international matches. The first Asian Championship matches will be held this November. Domestic champions from four countries in East Asia – Japan, South Korea, Taiwan and China – will compete.

But Mr. Son is looking to the other side of the Pacific. He is serious about having his team playing championship games against American clubs. As a part of this effort, he visited MLB offices in New York on February 11 and met with Tim Brosnan, Executive Vice President, Business, to pitch his international match plan.

Of course, holding official matches against American clubs fascinates other executives in Japan who reportedly have discussed the idea. To make this a reality, the Americans would need to see the international matches as profitable to them.

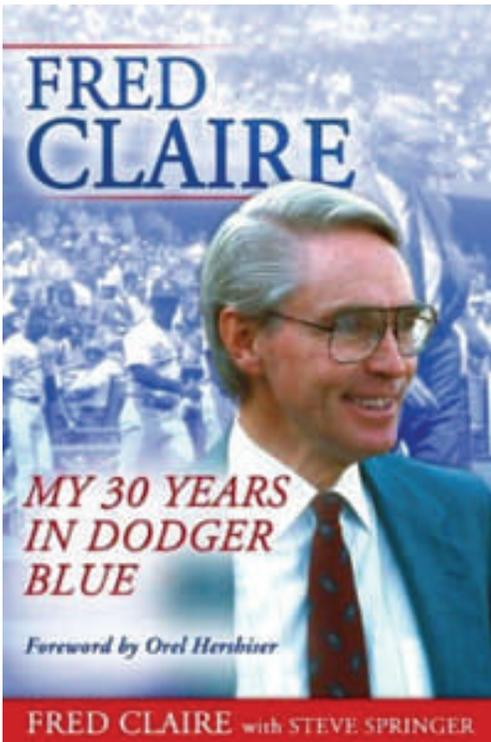


A Few Words From the Front Office: An Interview with Fred Claire

By Maury Brown, Business of Baseball Committee Co-Chair

Fred Claire began a 30 year career with the Los Angeles Dodgers in 1969 as the team's Publicity Director and advanced to become General Manager and Executive Vice President in charge of day-to-day operations and player personnel.

Most recently, he is the author, with Steve Springer, of *My 30 Years in Dodger Blue* published in 2004 by Sports Publishing L.L.C. (ISBN 1-58261-732-5).



OTL: Some of the owners have mentioned that the “common sense” approach that prevailed the last couple of off-seasons in terms of signing free agents, has been shelved. As Kevin McClatchy, owner of the Pirates said, some of his fellow owners must be drinking “funny water” because they’re back on a binge of over spending.

What’s your opinion of this off-season’s spending pattern, and is it fair to say that some owners are really “over spending” for free agents?

FC: The spending for free agent players this off-season shocked many people in the game. The owner of the Pittsburgh Pirates was quoted as saying some of his fellow owners must be drinking “funny water.” The problem in baseball is that the Pirates appeared to be drinking from the same well just a few years ago with some questionable signings.

I don’t believe it is fair to say that some owners are “over spending.” The teams spend, or should spend, what they feel is in their best interest and in their budget.

The Mets were big spenders this off-season because they felt they needed to get back to a competitive level and they are planning for a new television arrangement. This is the type of factor that drives salaries and payrolls.

The one thing that is important to remember is that every contract has a bearing in the baseball market place. A team may want to forget about a contract but the players remember and the agents remember.

Very frankly, I’m not sure a “common sense” approach ever has existed in free agency. It’s usually a case of competitive fire—teams trying to improve and feeling one player can make a difference—that drives the market.

OTL: In 2002, I interviewed you and even back then we discussed the issue of steroids and baseball. On Thurs. March 3rd, MLB started random testing for banned substances under the new policy hammered out by management and the union. Do you feel that there will be players that will not get the message and get caught in the program, and what are your thoughts on the testing program and the public perception of the game with the recent BALCO testimony leaks?

FC: As I recall, in 2002 I pointed to steroids as being a major problem for both the players and for the management of baseball. I called for the union and the owners to work together to resolve this significant issue.

I think the current testing program will be effective because there is an important factor that many people overlook—public disclosure. A player found to be using steroids under the current testing program will find that his future value has been diminished considerably.

That being said, there will be players who will identified as steroid users.

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The Business of Baseball in Small Towns: The Eastern Shore of Maryland

By Marty Payne

In 1867 George Gratton owned the Baltimore Base Ball Emporium and supplied the thriving sport in the metropolitan area. After the Civil War, new railroads were expanding west to the mountains, and via steamboats, across the Chesapeake Bay through the Delmarva Peninsula. Gratton seized the opportunity to send his salesmen “the length and breadth of Maryland” to sell the game and his merchandise (William Ridgely Griffith, *Amateur Base Ball in Maryland, 1858-1871* [Baltimore, MD, 1897], 19-20). It was no coincidence that in the fall of 1866 an advertisement appeared in a local paper for a meeting to promote baseball as good exercise and a way to gain social standing (*Easton Gazette* [September 29, 1866]).

Gratton and his salesmen radically changed what was still an informal game in these areas. They took it out of the pastures and into small towns of a few hundred to four thousand people. In 1867 baseball exploded onto the pages of local newspapers. Teams now formed as representatives of their community – complete with uniforms – and were eager to travel the new steam-driven transportation network to neighboring towns to display their skills.

Paying for uniforms, equipment, and travel by steamboat or railroad was more than most young players could afford. By the early 1870s newspapers persistently acknowledged the main sponsors of the town team. One form of sponsorship was to provide a lot or a field to serve as the team’s “grounds.” Sponsors were usually prominent men of the community eager to promote their town through baseball. As baseball continued to grow in popularity, the temptation to use “foreign” or “imported” players increased. By the mid-1890s the region was in an economic boom. The Pennsylvania Railroad had bought up and connected all of the once independent lines. Bumper crops of peaches and wheat shipped to nearby cities. New canning techniques created an international market for the cherished seafood of the Chesapeake Bay. With money flowing, teams cast aside all pretense of not using professional players.

Between 1886 and 1921, nearly fifty major league players stepped onto the fields in these small towns of the region. Major, minor, independent, and the best metropolitan semi-pro teams of Baltimore and Philadelphia fell victim the quality of baseball on the rural Eastern Shore of Maryland. With additional expenses, the whole town rallied behind the seasonal baseball effort.

A core of sponsors still put up the initial investment in the spring and exercised their right to select the management of the team. Local businesses were expected to contribute, not once, but as the need arose through the season. Many con-

sidered a good baseball team the best advertisement available for a town. Subscriptions were also sold. This was like owning stock and gave the individual choice seats where he could cheer his favorite players, and of course, berate the umpires.

There were ladies’ auxiliaries which hosted dances, sold box lunches, and held bake sales to raise additional funds. Admissions started out as a “request” for a 10-cent fee, but by the 1880s a big game attracting a crowd in excess of a town’s population might charge the same amount as a major league game. Local governments were also expected to contribute.

In 1885, an Easton paper lamented the absence of a local team: “Suitable grounds ought to at least be provided for them. There is hardly a town in the country that does not do that” (“Base Ball” *Easton Star* [7 July 1885]). Within a few years, most of the larger towns in the region provided fields for their teams at the local fairgrounds. Later, local baseball grounds would find more suitable independent locations where they didn’t have to compete for field time with county fairs, horse races and shooting matches.

During the off season there would be touring minstrel shows, vaudeville shows, and plays brought in to raise money for the town team. The Chamber of Commerce was a new and growing entity of the era and local newspapers indicate that many felt their main purpose was to raise money for the local nine. In addition, exhibitions with barnstorming teams like the Nebraska Indians, the Cherokee Nationals, and the Chinese Nationals, or women’s teams like the Chicago Stars and the Bloomer Girls were popular fund raising events.

Private sponsorship was rare for most of the era. An individual sponsor like local politician Col. John E. George who sponsored the Sudlersville team in 1902 was an exception. There were times when newspapers would foot the bill for a local club, but this practice declined by the late 1800s.

This began to change about 1910 with an unexpected innovator. In 1907 the first generation Chinese American, Lee Fong, was known as the “star rooter” of the Cambridge Club and led the opening day parade down the main street. However, there is evidence that the owner of the local laundry was more than a “mascot,” the good luck token popular for dead ball era teams. In 1910 Fong sponsored the Fong All-Stars as a means to advertise his business. It was a practice he continued in years when there was no town

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Are Baseball Arbitrators Biased? (Continued from page 1)



service group above the Player's annual service group." However, the CBA then states that "this shall not limit the ability of a Player or his representative, because of special accomplishment, to argue the equal relevance of salaries of Players without regard to service, and the arbitration panel shall give weight to such argument as is deemed appropriate." In fact, arbitrators are provided with a list of salaries of *all* players from which they may make their comparisons, and so are free to define "comparable players" and "fair value" as they see fit.

To economists, discussion of employees' "fair value" begins and ends with their contribution to their employers' revenue—i.e., workers' *marginal revenue product*. In baseball, for example, if a particular player generates \$5 million in marginal revenue for his team from ticket sales, concessions, and/or broadcast rights fees, then that's a reasonable estimate of his value. In our study, therefore, we estimated a benchmark value for each arbitration-eligible player by a simple two-step process. We first quantified the relationship of team revenue to team wins over the years to determine the marginal revenue per win each year. We then multiplied this value by each player's normal contribution of wins for his team to estimate his expected marginal revenue product. (For team revenue information, we relied on the report of the Commissioner's Blue Ribbon Panel on Baseball Economics and other sources. For data on player productivity we relied on Bill James' Win Shares metric.)

Once players' benchmark values were estimated, we performed standard statistical tests of arbitrator bias—and we found it. When owners' and players' offers are equidistant from players' benchmark or "fair" values, unbiased arbitrators should rule in favor of owners half the time and players the other half. We found, however, that when offers are equidistant from our benchmark, arbitrators rule in favor of teams 61 percent of the time.

But *why* would arbitrators tend to favor owners over players? Do they, perhaps, fear that awarding higher salaries would put poorer, small-market franchises at an economic disadvantage and worsen competitive imbalance? We tested for the influence of a market-size effect on arbitrator decisions and found no evidence that small-market teams are disproportionately favored.

We argue that arbitrator bias toward owners in general is

explained by arbitrators' self-interest—in this case, their desire to maintain demand for their services. Normally, arbitrator self-interest leads to a 50-50 split over time, for a record of bias toward one side will lead the other to fire the biased arbitrator.

Baseball's three-tiered labor market produces a different result, however. Before players have enough seniority to be eligible for arbitration, of course, they tend to get wages far below their marginal revenue product. And after their "arbitration years," when players have enough seniority to become free agents, competitive bidding enables them to obtain wages that are commensurate with their marginal revenue product.

But note: if arbitrators *also* awarded "fair market wages" to players, the demand for arbitrators' services would dry up. If there was no difference between the cost of free-agent talent and arbitration-eligible talent, owners likely would avoid the risks and transaction costs of arbitration hearings. They'd "non-tender" arbitration-eligible players and just buy talent in the open market.

So if arbitrators want to preserve the system that gives them employment, they'll keep owners' winning percentage high and arbitration-determined salaries *below* players' marginal revenue products. And players have little choice but to live with that bias, since it's unlikely that any newly-hired arbitrators will be less self-interested than the ones they fire.

The result is that, historically speaking, arbitration-eligible players have been good bargains for clubs. By our estimates, such players receive significantly less than their fair market value: on average, their wages rise from roughly one-third of their marginal revenue product in their first year of eligibility to two-thirds in their final year before free agency.

Teams still complain about arbitrators' "excessive" awards, of course—but that's mainly because teams' point of reference is the extremely low salaries they pay players who aren't arbitration- or free-agency-eligible. The evidence says otherwise: when a player goes to arbitration, the deck is stacked against him.

Steve Walters is Professor of Economics at Loyola College in Maryland. He also writes the StatScape feature for The Sporting News and has served as a consultant to two major league teams.



Interview with Fred Claire (Continued from page 3)

The public perception of the game is mixed, at best, related to steroids. The over-all exposure of the steroid subject is not good for baseball but there is no easy way to get through this period of time.

Eventually, the testing program—and education—will help clear the air and the home run “records” will find their place in history. We may discover there is an invisible asterisk.

OTL: What did you make of Kevin Towers’ comments regarding Ken Caminiti and his suspicion that he was using steroids?

FC: I think Kevin Towers spoke from his heart when he made comments regarding Ken Caminiti. Kevin is a general manager who truly cares about his players and he wishes he could have done more to help Caminiti. Kevin replied to questions in an honest way but in a way that wasn’t viewed as being politically correct.

OTL: Since you are so closely associated with the Dodgers, how do you view the name change and legal battle that the Angels have created by requesting that the team be named the Los Angeles Angels of Anaheim?

FC: The name change involving the Angels is an interesting case. I don’t believe the Angels will gain any great value by being called the Los Angeles Angels of Anaheim. That being said, I know full well that Arte Moreno understands image and the billboard business.

Whereas I wouldn’t have been an advocate of the Angel name change for several reasons (particularly considering the strong support the team has in Orange County), I don’t believe the Dodgers benefit by disputing the issue. The Dodgers would have been better served by staying away from the fray and letting others debate the issue.

OTL: Now that News Corp has moved on, and Frank McCourt owns the Dodgers, what is your opinion of how News Corp did running the organization?

FC: When you evaluate News Corp’s purchase of the Dodgers you have to judge it from a business standpoint. News Corp purchased the Dodgers, I believe, because of its interest in television and in a regional sports network.

News Corp made the purchase pay off by accomplishing what it wanted to accomplish from a television standpoint.

From a purely baseball standpoint, News Corp wouldn’t receive high marks. The News Corp group triggered the

trade that sent Mike Piazza to the Marlins and approved the contracts given to Kevin Brown and Darren Dreifort. Even more important, the baseball management group approved by News Corp caused a great deal of upheaval in the Dodgers’ scouting and minor league departments with the loss of too many good people.

OTL: Who, in your opinion, is the most underrated GM in baseball today?

FC: I wouldn’t term him underrated, but a general manager who has done a tremendous job for a small market team is Terry Ryan of the Minnesota Twins. And Terry would be the first to give credit to others in the organization. The key point is that Terry is the primary baseball person and he has established a path of continuity with an outstanding group of individuals involved with the organization.

Terry enables a team concept to take place in the front office of the baseball department. He gives his people responsibility and he directs credit in their direction.

Bottom line, Terry is the best example of the business practices found in the book “Good to Great” and I can’t think of a better book for a hopeful GM to read.

OTL: Who’s the best GM in baseball?

FC: I’m not going to rate the general managers. I know full well how difficult the role is and how it varies from team to team. If you want an example of a very capable general manager, you can refer to my previous answer.

OTL: After all the hullabaloo over Doug Mientkiewicz and his keeping of the ball that was the last out in the 2004 World Series, I wonder, what caused you to consider donating the ball that was the last out of the ’88 World Series to Cooperstown?

FC: I donated the baseball that was in play for the last out of the 1988 World Series to the Hall of Fame because I felt it was the right thing to do.

When Orel Hershiser struck out Tony Phillips for the final out, our catcher Rick Dempsey stuck the ball in his back pocket and reached to the mound to lift Orel in victory.

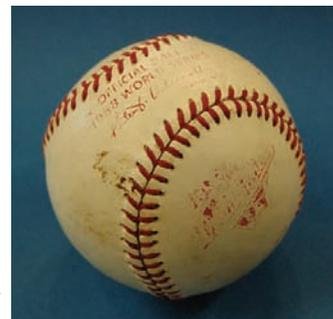


Photo courtesy Fred Claire

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Interview with Fred Claire (Continued from page 6)

When I entered our clubhouse, Rick came up to me and reached into his back pocket and pulled out the ball. "This belongs to you, Fred," Rick said as he gave the ball to me.

When I read a story in the New York Times that stated the last final out World Series ball to go to the Hall of Fame was in 1903 I knew what I wanted to do with the ball from 1988. I wanted the baseball to be in a place where all of the baseball fans would have an opportunity to view the ball.

I'm honored that Rick Dempsey gave the ball to me, and I'm honored I have an opportunity to turn the ball over to the Hall of Fame. I do so on behalf of all of the people in the Dodger organization at the time and the fans of the team who treasure an unforgettable moment.

OTL: We're coming up on 2006 which means the next round of collective bargaining is going to be at hand shortly. What do you feel are the main areas that might be discussed when the time arrives?

The next collective bargaining agreement will involve the same primary issue---the sharing of revenue. The revenue the clubs share and, even more important, the percentage of revenue that goes to player compensation.

Baseball should have one advantage this time around. That would be for both sides to look at the hockey negotiations and realize this isn't where a sport wants to end up in collective bargaining.

I would hope that management and the union could get started on the negotiations before they reach deadline stages. That almost never happens but there are lessons to be learned from hockey as well as baseball's own negotiating history.

OTL: Finally, what's your take on the state of the game today, and what types of changes are in store for fans?... expansion?... more relocation?...

The state of the game? I've been fortunate to be involved in the greatest game of all, baseball. The game certainly doesn't need expansion but I believe there will be more relocation.

The biggest change we will see in the future is relocation with an international aspect. I can see a Major League team, or two, in Japan and perhaps Mexico City.

As far as the fans, I would like to see baseball put more of an emphasis on the young fans and the family. There needs to be a ticket price structure that makes the game affordable for the family.

Baseball needs to do more in reaching out to the communities and to the youth of our country. The RBI program (Reviving Baseball in the Inter-city) is good but it can be better.

Baseball needs to do everything it can to reach the youth. The past has been great. The future can be better.

73—And No Asterisk! (Continued from page 2)

home run every 6 games. The mighty nineteenth-century Cubs "bashed" 142 home runs in 112 games in 1884, more than 8 times the pace of the NL in 1883. In games *not* involving the future Cubs, the league's home run rate was slightly less than the previous season.

When the White Stockings moved to West Side Park in 1885, where both foul lines were only 216 feet long, Williamson managed only 3 homers despite playing in 113 games. Prior to 1884, Williamson had a career total of but 8 home runs in 481 games. He managed to hit only 29 more round-trippers in 615 games before retiring. *Despite the anomalous and controversial circumstances under which it was set, Williamson's mark stood in the record books for 35 years—with no asterisk.*

To be fair, Williamson was somewhat of a slugger before setting the home-run record; he led the league with 49 doubles in only 99 games in 1883. *Slugging* in days of yore,

when the softer baseball was tattered, torn, and discolored for most of the game, was defined mostly by line drives into the gaps that fell in for doubles and triples. The over-the-fence power that is commonly meant by *slugging*, at least since Babe Ruth stood the baseball world on its head in 1920, was unheard of back then.

Contrary to the overused aphorism, context is *not* everything. Nevertheless, without truly understanding the context, no one can make valid judgments about the integrity of any record-setting feat. This nineteenth century story might seem irrelevant to contemporary circumstances, but a review of twentieth century home run records reinforces the lesson instead of contravening it.

Babe Ruth set the baseball world agog by hitting a record 54 homers in 1920. Then—just for those that didn't understand immediately—the Bambino drove the point home by hitting 59 the following year. Finally, capping a decade of dominance with the 1927 Yankees (perhaps the greatest

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73—*And No Asterisk!* (Continued from page 7)

team ever assembled), Ruth smashed 60 home runs. All of Ruth's records were extremely controversial, as staunch defenders of the fading Deadball-era style of play maintained that Ruth was a mere basher who couldn't play the "scientific game"—somehow, illogically, making his titanic accomplishments less impressive.

As Ruth revolutionized the game on his way to an incredible 714 career homers, he was denigrated by defenders of the Deadball faith because he supposedly was not the kind of smart player who played the "scientific baseball." The belief in the superiority of the sacrificial one-run, contact-and-baserunning game practiced by Ty Cobb and his fellow superstars persisted long after the game had irrevocably changed. Evidence can be seen in the vote totals for the first Hall of Fame election in 1936, where The Georgia Peach received more votes than anyone—including Ruth.

More than three decades later, Roger Maris's challenge to Ruth's single-season record in 1961 was derided as being a product of the AL expansion to ten teams: both because of the weaker pitching and the new, longer 162-game schedule. The fact that many baseball fans erroneously believe to this day that Maris's record was accompanied by an asterisk speaks to the enduring fallacy of so many of the National Pastime's great legends. Its persistence explains the title of Billy Crystal's well-received 2001 HBO movie, *61**—a title that didn't need a word of explanation to anyone older than 50. Ford Frick's acute conflict of interest—the commissioner had been the ghostwriter of Ruth's autobiography in his previous vocation as a sportswriter—was seldom mentioned by those deifying Ruth while demeaning Maris.

A decade later, when indefatigable Hank Aaron was about to eclipse Ruth's career record of 714 homers, the tune had changed, though the refrain was the same. Legions of defenders of The Sultan of Swat screamed out that Aaron had the benefit of facing expansion pitching for most of his career while getting almost 4,000 more at bats than Ruth. The death threats and otherwise overt racism of many of Aaron's assailants was well publicized, but there was an implicit racism in ignoring the fact that Ruth clearly benefited from his segregated era and never having to face a black pitcher.

Fast forward almost a quarter century to 1998, as the nation and much of the world was transfixed by the great home-run chase that will forever entwine the memories of a personable Cubs' slugger and a brooding Cardinals' basher. Mark McGwire launched his 70 moon shots and wrote his name in the record books, pursued by Sammy Sosa and his 66 bombs. Smaller ballparks, pitching staffs diluted by two more expansion rounds, and supplements like androsten-

dione were cited by the new wave of nattering nabobs that wanted to dismiss their record-shattering seasons.

Baseball history has now progressed to Barry Bonds, holder of the new single-season record with 73 home runs and likely future career record holder with 755-plus. Curiously, when Bonds set his record in 2001, in distinct contrast to the events of just three summers earlier, the national reaction was a giant yawn. Nevertheless that didn't mean that the majority of baseball fans or pundits acknowledged Bonds as the legitimate owner of the single most important individual record in professional sports. In a poll conducted by ESPN in February 2005, more fans voted for Roger Maris as the legitimate holder of the record than anyone else, with Bonds finishing a distant fourth after Ruth and McGwire.

The long and carefully documented history of the National Pastime teaches us that, whenever a player breaks an important baseball record, it is *always* controversial. Most often, the detractors advance numbingly timeworn or irrelevant arguments in an attempt to dismiss the new record. Sometimes, of course, their points are well taken. However, merely pointing out that the new record holder has enjoyed substantial—and possibly unique—advantages does not destroy the integrity of the new record.

All record-setting performances are the products of their times and must always be understood in context. All players that have set important records both enjoyed and exploited whatever significant advantages time and fate gave them. None of that has been changed by Bonds' or anyone else's putative steroid usage.

None of this even scratches the issue of the hypocrisy of the handwringers. Baseball history is replete with pitchers that used spitballs, scuffballs, greaseballs, and other assorted illegal tricks to give them an edge over the hitters. The hallowed Hall of Fame itself is home to several notorious cheaters but, because they were pitchers, no one seems to care. Until Pedro Martinez, the career record for winning percentage—one of the most important pitching records—was held by Whitey Ford, well-known for his ingenuity in modifying pristine baseballs.

'Twas ever thus.

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2005 ESPN Baseball Encyclopedia and
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Editor's note: Join a lively discussion of steroids and their impact on the business of baseball at our discussion <http://sports.groups.yahoo.com/group/BusinessofBaseball/>.



Baseball in Small Towns (Continued from page 4)

sponsored professional team. In 1914 the Chinese Nationals toured the peninsula. This was a team composed of Asian Americans from Hawaii. It was casually mentioned that Fong accompanied other local baseball magnates on trips to see “fellow countrymen” play. Most individual business sponsorships were relegated to amateur or youth teams until later years. Through the 1921, the best baseball was still community funded.

But the business of baseball in these small towns wasn’t just about raising and spending money. It was an opportunity to make money. Baseball teams rarely made a profit themselves, but they often served as a loss leader for the business community.

Even in the early years, local amateur teams often brought a contingent of hundreds of fans with them along with the local brass band. Whether rollicking along by rail or paying the excessive price of a one-dollar fare for steamboat passage (sometimes with the overflow towed behind in a sloop), these prospective consumers brought a commercial windfall to the little towns. Particularly coveted was a top team from Baltimore. This would draw a combination of hundreds of city tourists along with country folk coming into town for the event. Civic leaders recognized the economic impact of these crowds on their town, although there were occasional complaints about the pickpockets and other riff raff that followed the city spenders. In the word of one contemporary scribe, “A ball team such as we have this year will be a credit to our town. Base Ball does more towards advertising a town than most other mediums, and the businessmen should give what assistance they possibly can so as to keep a good team in the field the entire season.” (“Base Ball News,” *Dorchester Democrat-News* [June 13, 1908]).

Some towns on the bay existed exclusively as resorts for tourists from the cities looking to escape the oppressive heat of the Maryland summer. They offered summer breezes, beaches and swimming, a boardwalk, amusement rides, fine hotels and restaurants. But their main draw was baseball. The town of Betterton offered a top-notch baseball team playing some of the best clubs in the region. Betterton was considered the best place to watch baseball for the “suitableness of the grounds” – and the fare at the local hotel. Betterton would widely circulate its schedule so those potential tourists from Baltimore and Philadelphia would know when their favorite teams were visiting the resort.

Tolchester alternated between fielding its own team and renting its grounds for match games to teams from metro-

politan areas. They might offer a split purse on the Fourth of July with a game to be followed by fireworks. In 1895 Betterton rented its grounds to the Western Maryland Railroad Club against a team from Hanover, Pennsylvania, which drew 1,500 avid excursionists to the little bayside resort.

Still, the annual financial demand to field the quality baseball team that fans came to expect was a burden. The 1921 season stands out as an example. By the middle of July, several meeting had been held in Cambridge and the ladies had helped raise several hundred dollars determined to “... give the fans just what they were willing to pay for” (*Cambridge Daily Banner* [July 19, 1921]).

One local newspaper put some numbers to the yearly dilemma in 1921. In July the team in Salisbury, Maryland, needed an additional \$2,000 to keep the team in the field just through the end of the month and an emergency meeting was called at the Chamber of Commerce to raise additional funds. A recent game with Dover, Delaware, had grossed \$313. \$33 of this went to the war tax, \$70 to the visitors, \$5.50 to ticket seller and collector, and \$1 to each of the three policemen. Another \$12 went for six new baseballs and \$10 to advertising and circulars. They were left with a mere \$180.50 for salaries. (*Wicomoco News* [July 28, 1921].) The guarantees of the last three games had barely made payroll and the estimated weekly expenses for the club reached \$600. By the end of August another \$600 was needed to upgrade the grounds, while another \$160 went to new uniforms. Only \$458 had been taken in on new subscriptions, so three players were released. (*Wicomoco News* [August 25, 1921].) When the financial manager of the club left town on an extended business trip, only because he left \$300 to 400 of his own money did the team stave off its demise. (*Wicomoco News* [September 1, 1921].) It was business as usual.

There is a tendency to focus on the economics of the pastime in terms of organized baseball. Certainly major and minor league baseball warrant such attention. What is also important is the social, cultural, and economic impact that baseball once had on the most parochial and rural regions of the country. Before mass media and modern transportation, every town had its team of heroes and rarely let money stand in the way of putting a good club together. Local governments and businessmen realized, as in metropolitan areas of today, that a good team and “suitable grounds” were an economic boon to their community.

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Business of Baseball Committee

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