



# Outside the Lines

A publication of the Society for American Baseball Research Business of Baseball Committee

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## New BoB Committee Co-Chair

Steve Weingarden has agreed to Co-chair of the Business of Baseball Committee. Steve is an industrial and organizational psychologist who has published on major league owners and their leadership abilities in executive successions. Steve can be reached at [steveweingarden@gmail.com](mailto:steveweingarden@gmail.com)

Former Co-chair Gary Gillette resigned to co-chair the Ballparks Committee.

## Franchise Changing Years

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Major league franchises establish teams with varying abilities to win games. From a broader view, such winning or losing traditions last many years or even decades. In this article, the major shifting seasons, called franchise changing years, for the 30 current major league franchises, are defined and identified. Altogether, 52 one- or two-year shifts occur among the 2196 franchise-seasons since 1901, that is, every 42.2 years.

### Statistical Methodology

The transition multiple changepoint regression model was used to identify shifts in team winning percentage over time. Consider a series of winning percentages for  $n$  seasons for a given franchise. This model considers 1-year jump changes (up or down) for each of the  $n-1$  seasons after the first year, and  $n-2$  2-year shifts, with the first year halfway between the before and after winning percentages. A logistic model is used, with the number of wins and number of losses in a given season being the weights of the two possible outcomes. A stepwise selection approach was

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## THE NEXT FRONTIER: CHINA

By Ryan Hutzler  
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### OPENING DAY

Vendors sold peanuts, popcorn, and hot dogs, but tea and ramen noodles were favorites among the fans in the stands. Tickets ranged in price from \$7 to \$180 and a twelve-ounce beer cost \$1.50. Cheerleaders performed in foul territory and elderly fans practiced tai chi near the stadium entrance prior to the game. During the seventh-inning stretch, the only individual singing "Take Me Out to the Ball Game" was the public address announcer. The big screen in center field quizzed spectators and, after showing a player cross first base, asked fans if it was: a) a single, b) a double, or c) a triple.<sup>1</sup> Baseball had officially arrived, in Beijing.

Saturday, March 15, 2008 marked opening day for baseball in China. There was no winner of the first Major League Baseball game played on Chinese soil, as the contest between the Los Angeles Dodgers and San Diego Padres ended in a 3-3 tie, but the score was trivial. Similarly, on Sunday, March 16<sup>th</sup> when the Padres defeated the Dodgers 6-3 to conclude the two-

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## IS IT NOW TIME FOR A SALARY CAP?

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### INTRODUCTION

During the recent offseason, the Yankees acquired three high-priced free agents, C.C. Sabathia, Mark Teixeira, and A.J. Burnett. As a result of these acquisitions, many including the ownership of the Boston Red Sox and the Milwaukee Brewers suggested the need for a salary cap in baseball. The other major professional sports leagues in the United States have instituted such caps.

Baseball has a luxury tax system. If a team's payroll exceeds a certain amount, the team must pay Major League Baseball (MLB) the luxury tax. In addition, MLB collects revenues from assorted enterprises. Some of this income is distributed to all the teams in on a percentage basis. The concept is that teams receiving such funds would invest in becoming more competitive on the field. However, there is no mandate that teams do such. Finally, each team must submit a certain percentage of its overall revenue to MLB and those funds are redistributed to other teams. Through such a revenue-sharing scheme, small-market teams receive funds from big-market teams .



Is the above enough to maintain the necessary competitive balance in baseball? In looking at the need for competitive balance, the current approaches, the baseball draft, and the realities concerning salary caps, recommendations will be made.

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## “Rickey Being Rickey”: His February 1948 Wilberforce University Speech As an Ironic Waterloo in His Brooklyn Dodgers Career

By Lee Lowenfish

Branch Rickey loved to talk and he loved to talk about a variety of subjects. “He is a man of many faucets all running at once,” a bewildered Brooklyn Dodgers fan once memorably said about him. This is the story of how Branch Rickey talked and talked too much on Monday night February 16, 1948, at the annual football banquet of Wilberforce State University, the historically black college in central Ohio. Two days after his appearance he had to retract some of its excesses.

The speech served as an unhappy omen for a very disappointing 1948 season for the Dodgers after their thrilling pennant and near-World Series triumph in Jackie Robinson's rookie year of 1947. I nearly have an addiction to alliteration so I may have been too melodramatic in calling this talk a Wilberforce Waterloo, but at the very least the aftermath of his speech was a chastening one and it would be followed by another unpleasant ironic incident in 1948, the forced mid-season resignation of Rickey's once-treasured manager Leo Durocher.



National Photo Company Collection,  
Library of Congress, LC-DIG-npcc-19279  
at <http://memory.loc.gov/service/npn/nppc/19200/19279v.jpg>

Rickey was a great orator but he had turned down many opportunities in the off-season of 1947-48 to speak about his role in baseball's integration. Rickey could not, however, turn down the offer to speak at Wilberforce in his native state of Ohio. He loved speaking on college campuses in front of young, eager and impressionable student-athletes and their supporters. He himself was a loyal graduate of Ohio Wesleyan and at various times its baseball, football and basketball coach, athletic director, and currently a member of the board of trustees of his

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game series, the result did not concern either the fans or MLB. The sellout crowd of 12,224 at Wukesong Stadium had witnessed history, an exhibition game which introduced a widely unknown, unpopular sport to a new land.

According to MLB.com reporter Corey Brock, the games appeared more like a novelty than an actual professional competition, “complete with understandable hiccups and an overall sentiment of newness for the sport.”<sup>2</sup> Many of the Chinese fans had never seen a professional baseball game and found the game complicated during the early innings. One youth baseball coach admitted, “I don’t really understand a lot of the rules. But I’ve tried to study on the internet.”<sup>3</sup> Yet, by the middle innings of the game, Padres Manager Bud Back “could tell that the crowd was following the game. And like all baseball fans, they appreciate a hard-hit ball, a ball that goes a long way.”<sup>4</sup>

“To see this... takes my breath away,” Commissioner Bud Selig explained. “If we do as well as I think, people will say this is how it all started.”<sup>5</sup> Black agreed with Selig and said, “Hopefully this is the start of more baseball in China. The seeds are planted and we can continue to grow the game. Hopefully the Chinese people will embrace the game and have a passion for it over time like we do in America.”<sup>6</sup>

Major League Baseball’s first-ever journey to China was a mission of goodwill. Members of the Dodgers and Padres met Chinese students and taught them basic fundamentals to increase their understanding and interest in the sport. The players, coaches, and executives who represented the Padres, Dodgers, and Major

League Baseball in China were ambassadors for the future development of baseball. In addition to their baseball obligations, the representatives participated in a reciprocal cultural exchange and immersed themselves into Chinese culture and society during the five-day trip. They also visited the Great Wall of China and the Forbidden City. Padres Vice President Dave Winfield commented on the importance of the trip, explaining, “This isn’t like going across the border to Mexico or even the Caribbean. It’ll be good for the young guys. I talked to some of them on the way over. It’s a new experience for them, something they ordinarily wouldn’t get to do.”<sup>7</sup> Padres CEO Sandy Alderson added, “Anytime you get outside the United States and kids get a chance to see a different culture, it’s a terrific and broadening experience. I see that kind of thing at the Olympics. I think it helps to mature players a little bit and gives them a better perspective on things.”<sup>8</sup>

Although several professional organizations have actively promoted Major League Baseball’s international expansion in years past, the Padres remain at the forefront of furthering this mission. As early as 1996, the Padres advanced MLB’s international interests when they participated in the first regular season games outside of the United States or Canada – a three-game series against the Mets in Monterrey, Mexico. By playing regular season games in foreign nations, Alderson hopes to increase the Padres’ visibility overseas. He explained:

We want to promote the Padres as an organization and as a brand if you will and anything we can do is of a historic nature adds to that and helps us grow our history. It’s easy for the

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<sup>1</sup> Juliet Macur, “Playing in China, Chipping at a Wall,” *The New York Times* 16 March 2008, 17 March 2008 at <http://www.nytimes.com/2008/03/16/sports/baseball/16china.html?em&ex=1205812800&en=e05efdac6eee9894&ei=5087%0A>.

<sup>2</sup> Corey Brock, “Fine China: Dodgers, Padres Shine,” *MLB.com* 15 March 2008, 16 March 2008 at [http://mlb.mlb.com/news/article.jsp?ymd=20080315&content\\_id=2428373&vkey=spt2008gamer&fext=.jsp](http://mlb.mlb.com/news/article.jsp?ymd=20080315&content_id=2428373&vkey=spt2008gamer&fext=.jsp).

<sup>3</sup> Mark Magnier, “Baseball Makes a Pitch for China’s Masses,” *Miami Herald* 16 March 2008, 17 March 2008 at <http://www.miamiherald.com/519/story/457978.html>.

<sup>4</sup> Corey Brock, “Padres Right at Home in China,” *MLB.com* 15 March 2008, 16 March 2008 [http://mlb.mlb.com/news/article.jsp?ymd=20080315&content\\_id=2428436&vkey=spt2008news&fext=.jsp&c\\_id=mlb](http://mlb.mlb.com/news/article.jsp?ymd=20080315&content_id=2428436&vkey=spt2008news&fext=.jsp&c_id=mlb).

<sup>5</sup> Op. cit. 2.

<sup>6</sup> Corey Brock, “Second Helpings in Beijing Sweet,” *MLB.com* 16 March 2008, 17 March 2008 [http://mlb.mlb.com/news/article.jsp?ymd=20080316&content\\_id=2430270&vkey=spt2008gamer&fext=.jsp](http://mlb.mlb.com/news/article.jsp?ymd=20080316&content_id=2430270&vkey=spt2008gamer&fext=.jsp).

<sup>7</sup> Mark Zeigler, “Smog in Beijing May Give Dodgers Home-Field Advantage,” *San Diego Union-Tribune* 13 March 2008, 14 March 2008 <http://www.signonsandiego.com/sports/padres/20080313-9999-1s13padres.html>.

<sup>8</sup> Ibid.

<sup>9</sup> John Schlegel, “NL West Meets Far East in Historic Trip,” *MLB.com* 12 March 2008, 15 March 2008 [http://mlb.mlb.com/news/article.jsp?ymd=20080312&content\\_id=2420882&vkey=news\\_mlb&fext=.jsp&c\\_id=mlb](http://mlb.mlb.com/news/article.jsp?ymd=20080312&content_id=2420882&vkey=news_mlb&fext=.jsp&c_id=mlb).

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Yankees and Red Sox who already have name recognition and the connotation of excellence and success. For us, we need to keep working at it. This is one of those events that could contribute to our reputation.<sup>9</sup>

Similarly, the Dodgers have played a unique role in shaping Major League Baseball's international development. The franchise was proud to represent MLB in China and build bridges which extend beyond the borders of the United States. Dodgers owner Frank McCourt believes promoting baseball in China is "in the Dodgers' DNA,"<sup>10</sup> and stated the subsequent regarding his team's involvement with MLB's mission of globalization:

If China puts its mind to it and decides to embrace professional baseball, we know it will be a success. To be part of that and to build a bridge from America to China, I think is very consistent with the history of this ballclub. It's done the same in Japan, in Taiwan, in Latin America. Part of what makes the Dodgers a worldwide brand is this organization has always embraced bringing baseball all over the world because of the love of the game. It's a very proud part of our heritage and something that is incumbent upon us to continue.<sup>11</sup>

Major League Baseball's China Series indicated a strong commitment to its November 2003 "development agreement" with the Chinese Baseball Association (CBA), the governmental organization overseeing baseball events, development, and national team activities in the country. The agreement between MLB and the CBA allowed MLB teams to sign players from China, assigned former MLB players Jim Lefebvre and Bruce Hurst as manager and coach of China's National Team, and sanctioned the establishment of MLB youth and community efforts in China. The China Series cemented MLB's belief that China is

a fertile ground for the growth and expansion of baseball in the future. "You need a genesis; you need a starting point," Commissioner Selig explained. "And this is a great way to start."<sup>12</sup> Playing MLB games in China is "quite an experience, to say the least," Selig continued. "I'm thrilled with it. ... This is history in the making."<sup>13</sup>

## A HUNDRED YEARS OF BASEBALL IN CHINA

MLB's China Series was not the first established baseball event played in the country, as baseball has been in China a decade longer than in Japan or any other Asian nation. Dating back to 1863 when American medical missionary Henry William Boone formed the Shanghai Baseball Club, *bangqiu*, or "stickball," flourished in China.



Loo Tai Sing (1914) in Library of Congress LC-DIG-ppmsca-18469 (digital file from original photograph), LC-USZ62-97620 at <http://memory.loc.gov/service/ppn/ppmsca/18400/18469v.jpg>

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<sup>9</sup> Ken Gurnick, "Torre Sees Bright Future for MLB, China," [MLB.com](http://mlb.mlb.com/news/article.jsp?ymd=20080314&content_id=2425737&vkey=spt2008news&fext=.jsp&c_id=mlb) 14 March 2008, 15 March 2008 [http://mlb.mlb.com/news/article.jsp?ymd=20080314&content\\_id=2425737&vkey=spt2008news&fext=.jsp&c\\_id=mlb](http://mlb.mlb.com/news/article.jsp?ymd=20080314&content_id=2425737&vkey=spt2008news&fext=.jsp&c_id=mlb).

<sup>10</sup> Op. cit. 9.

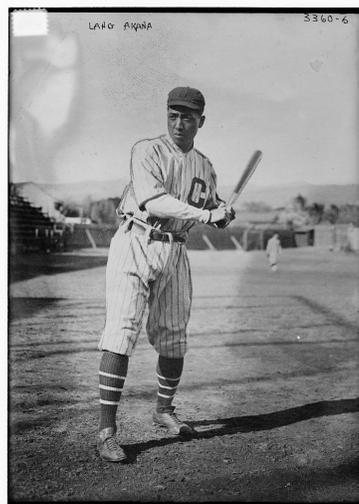
<sup>11</sup> Associated Press, "China Gets Taste of Pastime," [The Charlotte Observer](http://www.charlotte.com/sports/story/539008.html) 16 March 2008, 17 March 2008 <http://www.charlotte.com/sports/story/539008.html>.

<sup>12</sup> Op. cit. 9.

<sup>13</sup> "Baseball Has Deep Roots in China," [MLB.com](http://mlb.mlb.com/news/article.jsp?ymd=20080311&content_id=2420833&vkey=news_mlb&fext=.jsp&c_id=mlb) 12 March 2008, 16 March 2008 [http://mlb.mlb.com/news/article.jsp?ymd=20080311&content\\_id=2420833&vkey=news\\_mlb&fext=.jsp&c\\_id=mlb](http://mlb.mlb.com/news/article.jsp?ymd=20080311&content_id=2420833&vkey=news_mlb&fext=.jsp&c_id=mlb).

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National interest in the sport grew rapidly, and in the 1870s, the Qing Dynasty sent young scholars to the United States to study America's national pastime in its original setting as part of the "self-strengthening movement." The students returned to China with a true love for the game. The Chinese proved their baseball talent in a 1911 exhibition game in San Francisco, when the Chinese Overseas Baseball Club defeated the New York Giants in the first contest between a Chinese and American baseball team.



Lang Akana, captain and first baseman, Chinese university, Bain News Service (1914), Library of Congress LC-DIG-ggbain-18237 at <http://memory.loc.gov/service/pnp/ggbain/18200/18237v.jpg>

In 1913, the Chinese competed in its first international baseball tournament, the inaugural Far East Games, and finished third. China placed second to the Philippines in a 1915 Greater Asia baseball tournament held in Shanghai. Baseball flourished across China for the next half century in Chinese colleges and provincial capitals. In 1934, Major League All-Stars led by Babe Ruth, Lou Gehrig, and Casey Stengel com-

pleted a Japan tour by traveling to China to play the Shanghai Pandas.<sup>14</sup>

Baseball became the unofficial sport of the People's Liberation Army during the nation's civil war from 1947 to 1949 and became known as *junqiu*, or "army ball." During the 1950s, baseball helped train soldiers, as it did during Sun Yat-sen's revolution in 1911. Chinese officers believed the sport made better soldiers, and they learned to throw a grenade faster, farther, and with curve on it. After the People's Republic was founded in 1949, baseball surged in popularity. The game was recognized as an official sport at the first

National Games in 1959 which featured teams from 30 regions across China.

The Cultural Revolution soon followed and, from 1966 through 1976, Mao Zedong banned baseball and persecuted, tortured, and killed coaches, as the sport was viewed as a symbol of Western decadence. Mao's Cultural Revolution effectively eliminated all interest in baseball. The sport did not resurface until after his death in 1976, when anti-Western sentiment began to subside and baseball was officially "rehabilitated" by Communist party leaders. The Chinese government adopted the policy of "friendship first, competition second" regarding baseball and other sports, including ping-pong, soccer and basketball. The nation hoped to demonstrate the government's interest in tightening the relationship between sport, politics, and diplomacy. The "friendship first, competition second" policy allowed the Chinese government to preserve the image of the newly developing socialist country while establishing international relationships.<sup>15</sup>



Sensing a growing enthusiasm for baseball in the country, Dodgers owner Peter O'Malley traveled to China in 1986 and began investing in baseball's future to support the sport's reemergence. O'Malley helped construct the first modern baseball stadium in Tianjin, China, approximately 75 miles southeast of Beijing, and named the venue "Dodger Stadium." In 1988, China hosted its first international baseball tournament, the Beijing International, a Little League championship for 11 and 12-year-olds, which established baseball's future in the nation.<sup>16</sup>

**THE CHINESE GET ORGANIZED**

Building on O'Malley's success and seeing China's growing interest in baseball, Positive Baseball Limited, a sports investment company founded by American Tom McCarthy, assembled a five-week, trial-run

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<sup>14</sup> Ibid.

<sup>15</sup> Ibid.

<sup>16</sup> "Organized, Tournament Baseball in China," [MLB.com](http://mlb.com) 12 March 2008, 14 March 2008 [http://mlb.mlb.com/news/article.jsp?ymd=20080312&content\\_id=2420863&vkey=news\\_mlb&fext=.jsp&c\\_id=mlb](http://mlb.mlb.com/news/article.jsp?ymd=20080312&content_id=2420863&vkey=news_mlb&fext=.jsp&c_id=mlb).

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baseball tournament in April and May of 2002. Four teams, the Beijing Tigers, Tianjin Lions, Shanghai Golden Eagles, and Guangzhou Leopards, competed to further expand Chinese interest in baseball. Several months later, a partnership company, Dynamic Sports Marketing, inked a six-year, \$5 million deal with the Chinese Baseball Association to own the marketing and advertisement rights of a three-month long Chinese Baseball League (CBL) season. Further, the deal included advertising the Chinese National Baseball Team, junior baseball team, and a youth baseball program called "Swing for the Wall."<sup>17</sup>



Since the inaugural 2002 season, during which teams played only 12 games, the CBL has expanded to seven teams, adding the Sichuan Dragons and China Hope Stars, a team of under-21 prospects, in 2005, and the Henan Elephants in 2009.

The league features two divisions with 14 game days. Each team hosts the remaining six squads over a three-day weekend, with the top two teams from each division qualifying for the playoffs. The best teams play a maximum of only 11 games.<sup>18</sup> Further, although CBL games are typically free to the public, the average CBL game attracts a few hundred spectators, with the largest crowds approaching 1,000 in Tianjin.<sup>19</sup>

### COMPETING AGAINST THE ASIAN POWERHOUSES

With the support of MLB and the signing of the "development agreement" in 2003, the Chinese National Team has slowly become more competitive against international competition. The team, which consists of top players from provincial teams, has long been ranked fourth in Asia, but improved under the tutelage of MLB coaches Jim Lefebvre and Bruce

Hurst. While coaching the Chinese National Team from 2003 through the 2008 Olympic Games, Lefebvre witnessed exceptional growth in both the nation's interest in baseball and the players' skills. Lefebvre explained, "There are some people who are skeptical about what this is all about; I'm not. I've seen it. I've seen what happened in Japan, I've seen what happened in Korea, I've seen what happened in Australia. Look at it now. ... Just give baseball time."<sup>20</sup> Dodgers Manager Joe Torre echoed Lefebvre's opinion, "You don't get instant success in baseball – it's a game you grow into. But if we make sure kids learn to play the game the right way, once they start blossoming we'll see a number of players make an impact in Major League Baseball."<sup>21</sup>



Lefebvre understands how to develop and advance baseball talent and has had a prolific baseball career both on and off the diamond. In 1965, he was the National League Rookie of the Year with the Los Angeles Dodgers and had an eight-year playing career followed by managerial stints with the Seattle Mariners from 1989-1991, Chicago Cubs from 1992-1993, and Milwaukee Brewers and San Diego Padres in 1999 and 2009 respectively. Lefebvre has also served as a Major League coach with five different organizations and is experienced in evaluating talent. Of his Chinese National Team, he stated:

These are not college-level players... they're above that. They are professional-level players right now. Collectively, we might struggle, but we have players on our team right now who are high A, Double-A and possibly Triple-A. We have some guys who, in the right situation, could make it to the big leagues.<sup>22</sup>

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<sup>17</sup> "China Baseball League Facing Obstacles," *USA Today* 23 May 2009, 20 August 2009 <http://baseballdeworld.com/2009/05/china-baseball-league-facing-obstacles/>.

<sup>18</sup> Op. cit. 17.

<sup>19</sup> Corey Brock, "Ready to Play Ball in China," *MLB.com* 14 March 2008, 15 March 2008 [http://atlanta.braves.mlb.com/news/article.jsp?ymd=20080314&content\\_id=2425803&vkey=spt2008news&fext=.jsp&c\\_id=mlb](http://atlanta.braves.mlb.com/news/article.jsp?ymd=20080314&content_id=2425803&vkey=spt2008news&fext=.jsp&c_id=mlb).

<sup>20</sup> Ibid.

<sup>21</sup> Corey Brock, "Lefebvre Discusses Baseball in China," *MLB.com* 14 March 2008, 16 March 2008 [http://mlb.mlb.com/news/article.jsp?ymd=20080314&content\\_id=2425906&vkey=spt2008news&fext=.jsp&c\\_id=mlb](http://mlb.mlb.com/news/article.jsp?ymd=20080314&content_id=2425906&vkey=spt2008news&fext=.jsp&c_id=mlb).

<sup>22</sup> Ibid.

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Lefebvre emphasizes teaching baseball fundamentals to Chinese prospects and has seen a dramatic improvement in their ability. Many Chinese baseball players lack the upper body and arm strength possessed by many American and Latino ballplayers – stealing bases is common as most catchers lack the arm strength needed to throw out advancing runners. Lefebvre worked to develop pitchers' arm strength and hitters' power by putting a bat and ball in their hands at a younger age. Lefebvre said, "These kids are very smart, they're very bright and they have great intuitiveness. They retain it. They have an endless work ethic. What more can you ask for? They see now what they need to do to be successful."<sup>23</sup>

Although the Chinese National Team failed to qualify for the 2004 Olympics and lost all three games against Japan, South Korea, and Chinese Taipei in the 2006 World Baseball Classic by a combined score of 40-6, including a 12-3 blowout loss to rival Chinese Taipei, the squad continued to progress. Despite the over-



whelming defeats at the WBC, several scouts saw promise in the Chinese team. Paul Archey, Senior Vice President of Major League Baseball International, indicated, "For five or six innings, China held its own. They just didn't have the depth or the experience. China even [tied

the game] against Japan. It gave you a glimpse of what could happen."<sup>24</sup>

Despite MLB's optimism, several factors continue to limit baseball's growth in China, including the International Olympic Committee's (IOC) decision to remove the sport from competition in both the 2012 Summer Olympics in London and 2016 Games. The

IOC's decision has made baseball a low priority in China's Soviet-style system, which funnels promising youngsters into special camps which train them specifically to win gold medals and attain national glory. International Baseball Federation (IBAF) President Harvey Schiller had indicated baseball might be reinstated in the 2016 Summer Olympics if the Europe-dominated IOC voted it back into competition. However, to add baseball as an Olympic sport, the IOC may ask for the participation of professional players. Dodgers Manager Joe Torre echoed the sentiments of most MLB managers when he asserted, "I don't want to give any of my players up for the Games, much as I respect them."<sup>25</sup>



Additionally, Wukesong Stadium, which hosted the 2008 Summer Olympics and 2009 World Baseball Classic, was demolished at the beginning of 2009, as it generated little revenue. The government plans to build a sports and entertainment center and shopping mall at the site.<sup>26</sup> This leaves China's capital without a respectable baseball venue, which may impede the sport's sustained development.

### Future Prospects

Baseball remains in its infancy in China. Unlike Japan, South Korea, and Taiwan, China lacks prominent household baseball names, such as Sadaharu Oh, Ichiro Suzuki, Hideki Matsui, and Daisuke Matsuzaka. Nevertheless, Major League Baseball continues to invest in the sport for potential future gains. Jim Small, MLB Vice President for Asia, explained, "The future for baseball in China is very bright. Sports have be-

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<sup>23</sup> Jim Caple, "Good Showing in '08 Olympics Will Spur Interest," *ESPN.com* 1 March 2007, 21 December 2007 [http://sports.espn.go.com/mlb/asia/columns/story?columnist=caple\\_jim&id=2766716](http://sports.espn.go.com/mlb/asia/columns/story?columnist=caple_jim&id=2766716).

<sup>24</sup> Nick Mulvenney, "Baseball Still Hopeful of Spot at London 2012," *Reuters* 16 March 2008, 17 March 2008 <http://in.reuters.com/article/worldOfSport/idINIndia-32519720080316?sp=true>.

<sup>25</sup> "The Wukesong Baseball Complex Will Be the First Olympic Venue Demolished," *Reuters* 14 January 2009, 20 August 2009 <http://www.scoresports.com.cn/cms/html/eng/news/baseballinfo/200901/14-270.html>.

<sup>26</sup> Eric Green, "First Chinese Baseball Players Signed to Play in United States," *USINFO* 26 June 2007, 21 December 2007 <http://www.america.gov/st/sports-english/2007/June/20070626141133liameruoy0.4219782.html>.

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come increasingly important in Chinese society. As baseball is not only a global sport but also a sport that is hugely popular in Asia, I think it is quite natural for it to take hold in the Chinese sports culture.”<sup>27</sup>

Major League Baseball hopes to find and develop a prominent Chinese baseball player in the upcoming years to spur national interest in the sport. Yao Ming, the 7-foot-6-inch Chinese center, signed with the National Basketball Association’s (NBA) Houston Rockets in 2002 and became an All-Star caliber player, which encouraged China’s interest in basketball. China is now the NBA’s largest international market. Hu Jiashi, Vice President of the China Basketball Association explained, “Basketball used to be behind soccer, but now it’s pulling level.”<sup>28</sup> Today in China, the NBA is the most popular sports league, over 300 million people play basketball regularly, and 83% of males between the ages of 15 and 61 are interested in the game, a figure which continues to increase.<sup>29</sup>

MLB believes it can duplicate the National Basketball Association’s good fortune by signing a standout Chinese ballplayer, hoping he will make the Major Leagues, thus accelerating the sport’s growth. As Lefebvre explained, “Look what Yao Ming has done to basketball in China. It is played everywhere. . . . We want to catch lightning in a bottle. We want to create the Yao Ming effect for baseball.”<sup>30</sup> Agreeing with Lefebvre, Alderson stated, “The key to the growth and popularity of baseball in China is the introduction of a Chinese player into Major League Baseball. I don’t think that anyone can predict how long that will take. But it’s important that Major



League Baseball and all its clubs are taking the process of finding and developing players who can play in the Major Leagues.”<sup>31</sup>

Chinese citizens lack a level of familiarity with baseball and prefer to participate in soccer, basketball, and ping-pong. Baseball is not imbedded into China’s social fabric, as city blocks are devoted to public athletic facilities, artificial turf soccer fields, and basketball courts, with very few baseball diamonds. Ying Huaong, a construction worker, explained the common sentiment regarding baseball which resonates throughout China and suggests the coming challenges of brand name recognition for MLB: “I don’t know the game, and we don’t see it much [on television] but . . . I want to learn more about it. I’m a basketball fan. I like that.”<sup>32</sup>



Major League Baseball officials are confident baseball will proliferate throughout China, and they have 1.3 billion reasons to believe China will be a significant part of baseball’s future. The country boasts a huge population and strong athletes in gymnastics and basketball, but baseball is a new sport. MLB officials will not find professional-ready ballplayers in the near future. Regardless, an early investment in China’s baseball future could be a nice long-term investment for Major League Baseball.

In addition to MLB, the New York Yankees have actively invested in China’s baseball future. In 2007, the team signed a Memorandum of Understanding with the Chinese Baseball Association. The agreement, the first of its kind between a MLB team and the CBA, not only allowed the Yankees to increase its interna-

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<sup>27</sup> Calum MacLeod, “China Embraces Basketball,” *USA Today* 7 August 2006, 26 April 2008 [http://www.usatoday.com/sports/basketball/2006-08-07-china-focus\\_x.htm](http://www.usatoday.com/sports/basketball/2006-08-07-china-focus_x.htm).

<sup>28</sup> Asia Pulse, “NBA to Open First Overseas Store in China,” *Asia Times Online* 1 December 2006, 26 April 2008 [http://www.atimes.com/atimes/China\\_Business/HL01Cb01.html](http://www.atimes.com/atimes/China_Business/HL01Cb01.html).

<sup>29</sup> Jack Etkin, “Pro Baseball Takes First Step in Scaling Great Wall in China,” *Rocky Mountain News* 12 March 2008, 15 March 2008 <http://www.rockymountainnews.com/news/2008/mar/12/pro-baseball-takes-first-step-in-scaling-great/>.

<sup>30</sup> Op. cit. 20.

<sup>31</sup> Ibid.

<sup>32</sup> “New York Yankees and Chinese Baseball Association reach landmark agreement,” *MLB.com* 30 January 2007, 17 March 2008 [http://newyork.yankees.mlb.com/news/press\\_releases/press\\_release.jsp?ymd=20070130&content\\_id=1789369&vkey=pr\\_nyy&fext=.jsp&c\\_id=nyy](http://newyork.yankees.mlb.com/news/press_releases/press_release.jsp?ymd=20070130&content_id=1789369&vkey=pr_nyy&fext=.jsp&c_id=nyy).

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tional brand recognition, but also permitted the club to send coaches, scouts, and training personnel to China to help the CBA instruct baseball players and coaches. The partnership will also allow CBA officials to visit the Yankees' facilities in the United States to further their development.<sup>33</sup>

Since 2001, five Chinese players have signed contracts with MLB clubs, and teams believe more Chinese nationals will join MLB in the future. The Seattle Mariners signed the first Chinese player, 6-foot-5 right-handed pitcher Chao Wang, in 2001. He compiled a 0-2 record with a 5.14 ERA in 13 games during the 2002 season in the Arizona Rookie League before returning China. The Mariners also signed catcher Wei Wang and infielder/outfielder Yu Bingjia in 2007. Scouts believe Wang Wei, who hit the first home run in the 2006 WBC, may be the first Chinese star in MLB. However, he has yet to make the Major League roster. The New York Yankees also signed two 19-year-old Chinese prospects, catcher Zhang Zhenwang and left-handed pitcher Liu Kai, to minor league contracts in 2007.<sup>34</sup>

Major League Baseball opened an office in Beijing in 2007 and launched a new website in 2008 to enhance its standing in China. The website, [www.major.tv/china](http://www.major.tv/china), allows baseball fans in China to view highlights, scores, and some games. MLB intends not only to make games more accessible to multinational and Chinese advertisers, but also to continue to increase the youth fan base.

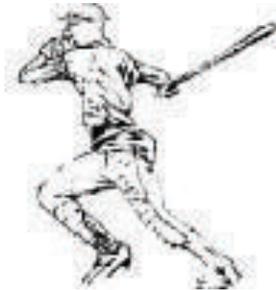


MLB focuses on grassroots mobilization by regularly sponsoring clinics for Chinese youths. MLB believes grassroots instruction is most vital to baseball's long-term success. In September 2007, MLB established the Play Ball! pro-

gram in five cities, Beijing, Guangzhou, Shanghai,

Tianjin, and Wuxi. Play Ball! has also entered the physical education curriculum for students aged 8-12 in 120 elementary schools across China, including 30 alone in Beijing for players between the ages of 8-18. Students learn the sport's rules and receive fundamental instruction to develop baseball skills.

In August 2007, MLB also conducted its first China Baseball Academy, a three-week session in Wuxi for 60 of the top-rated 12 through 15-year-olds. Major League Baseball International and the CBA selected the Academy's participants from existing provincial baseball organizations in Beijing, Chengdu, Dalian, Guangzhou, Shanghai, Shenzhen, Tianjin, and Wuxi.<sup>35</sup>



Further, in 2007, MLB hosted the China National Baseball Team for Spring Training in the United States and provided an opportunity for China's players to train with MLB teams and players. Later that year, Cal Ripken Jr. accompanied MLB officials as part of an American Public Diplomacy Envoy for the U.S. Department of State. The delegation visited Beijing, Shanghai, Wuxi, and Guangzhou to spread the game to players and coaches. In each city, Ripken introduced baseball to Chinese youths in a cross-cultural exchange. He visited schools and youth clubs, ran baseball clinics, and shared personal life stories and experiences to build excitement about the sport. Before the onset of the trip, Secretary of State Condoleezza Rice stated the following regarding the envoy and Ripken's involvement:

Public diplomacy must be a dialogue with people from around the world and sought out and conducted not only by people like us in government, but by committed Americans from all walks of life. Cal Ripken embodies the best that sports have to offer and we are thrilled that he will be working for our country on this trip and other trips in the future.<sup>36</sup>

(Continued on page 10)

<sup>33</sup> Op. cit. 9.

<sup>34</sup> "MLB International to Launch Inaugural China Baseball Academy," [MLB.com](http://mlb.mlb.com/news/press_releases/press_release.jsp?ymd=20070807&content_id=2134761&vkey=pr_mlb&fext=.jsp&c_id=mlb) 7 August 2007, 17 March 2008 [http://mlb.mlb.com/news/press\\_releases/press\\_release.jsp?ymd=20070807&content\\_id=2134761&vkey=pr\\_mlb&fext=.jsp&c\\_id=mlb](http://mlb.mlb.com/news/press_releases/press_release.jsp?ymd=20070807&content_id=2134761&vkey=pr_mlb&fext=.jsp&c_id=mlb).

<sup>35</sup> Xinhua, "Envoy Cal Ripken Embarks to Introduce Baseball in China," [People's Daily Online](http://english.peopledaily.com.cn/90001/90776/6285124.html) 17 October 2007, 21 December 2007 <http://english.peopledaily.com.cn/90001/90776/6285124.html>.

<sup>36</sup> Op. cit. 20.

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Jeff Brueggemann, who played in the Minnesota Twins organization, is now in his third year of teaching baseball in China as part of MLB's Play Ball! initiative. He stated, "Three years ago, I could say *bangqiu* and people on the street wouldn't know what I was talking about.

Now I can talk to anyone and they know what baseball is. They might not know the game, but they know what it is. And they want to learn the game."<sup>37</sup> Major League Baseball officials want to hear Chinese nationals shout, "We want more baseball," and Commissioner Selig will meet this request.

### RELATIONSHIP-BUILDING

After visiting the Great Wall of China prior to the 2008 China Series, Commissioner Bud Selig passed a local university and noticed Chinese students playing baseball and softball. While acting as Major League Baseball's Commissioner, Selig has been dedicated to developing baseball globally. As a billowing emerging market with 1.3 billion possible fans, China holds the prospect of immense economic gains. MLB has already invested heavily to promote baseball's emergence in China, and Selig believes, "We're making inroads." He explained:

We will continue to do what we can to accelerate the process. In fact, I feel so good about it, I have no doubt in my mind that in a decade, baseball will be big in China. We're watching CNN this morning and our series was the lead story on the sports segment. We're getting positive coverage in a world where there isn't much positive coverage. ... Given what we've tried to accomplish in this series, it's exceeded anything we could have hoped for.<sup>38</sup>

By sending its product overseas, MLB intends to forge a long-lasting relationship with China, which will help market the sport more effectively and efficiently. Commissioner Selig and Major League Baseball officials recognize China is a growing global economic force, and playing MLB games in China presents an opportunity to further internationalize the game.

Selig maintains the China Series was a goodwill mission first and not an economic venture. The commissioner and MLB officials remain steadfast on developing the relationship-building component between Major League Baseball and the Chinese people. Dodgers owner Frank McCourt stated, "The revenue will take care of itself. If we focus on revenue first and forget the importance of the relationship, we may be disappointed."<sup>39</sup> Charles Steinberg, the Dodgers Executive Vice President of Marketing, agreed and hopes to "light a fire that starts burning passion for baseball. If that happens, those that count the money will have their day."<sup>40</sup>

Chinese citizens are only beginning to understand the concepts of leisure, disposable income, and the middle class. China is "a country on the move. The timing for baseball couldn't be better," asserted McCourt. "We want baseball to be one of the options for entertainment. We want kids to play it in school and for families to be spectators. We are limited only by our imagination."<sup>41</sup>

Major League Baseball has already established its brand in China and has opened 48 stores across the country. MLB officials were impressed by the enthusiasm Chinese youths already have for baseball. After game-one of the China Series, children were throwing baseballs and swinging baseball bats similar to children in America. McCourt commented, "They were having fun without even knowing all the rules and nuances of the game. It is an awesome achievement for everyone



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<sup>37</sup> Ken Gurnick, "Selig: 'This is Where it Started,'" [MLB.com](http://mlb.mlb.com/news/article.jsp?ymd=20080316&content_id=2430319&vkey=spt2008news&fext=.jsp&c_id=mlb) 16 March 2008, 17 March 2008 [http://mlb.mlb.com/news/article.jsp?ymd=20080316&content\\_id=2430319&vkey=spt2008news&fext=.jsp&c\\_id=mlb](http://mlb.mlb.com/news/article.jsp?ymd=20080316&content_id=2430319&vkey=spt2008news&fext=.jsp&c_id=mlb).

<sup>38</sup> Ibid.

<sup>39</sup> Op. cit. 3.

<sup>40</sup> Op. cit. 38.

<sup>41</sup> Ibid.

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involved to pull it off. When the Chinese people become familiar with the game, it will be even better. I think this country will fall in love with baseball.”<sup>42</sup>

He continued:

We brought the game of baseball and we can see the joy it brings. We’ve made an impact here and the Chinese people have made an impact on the American side. They’ve opened our eyes. We are so impressed with the people here, the history of this country and the architecture of this capital. You can’t help but be impressed with the Forbidden City, the Great Wall and now the Bird’s Nest stadium [the spectacular venue for opening and closing ceremonies for the Olympics]. In August, the rest of the world will see what is happening here in China.<sup>43</sup>

Until baseball flourishes in China independent of Major League Baseball’s guidance and support, MLB must remain patient, help build baseball diamonds, train coaches and players, and provide equipment. Baseball is considered an elite sport in China because, as China’s national team captain Zhang Yufeng explained,

“It requires special equipment and fields. You pay that much for a bat and you can break it so easy. And the clothes and gloves are also expensive. So it’s difficult to get a team together. China’s national sport is ping-pong, no doubt. All you need is a ball and a paddle.”<sup>44</sup>



There is an inherent tension between MLB’s desire to sell its products and merchandise and Chinese citizens’ ability to afford such goods. MLB must determine how to best balance these two competing interests, its own economic interests with those of Chinese citizens. McCourt explained, “We need not worry about the money. This country grows wealthier by the moment. They don’t need our money, they need our help and friendship. We need to be a good partner with the Chinese people and send a clear message that this game can be their game too.”<sup>45</sup> MLB must continue to cultivate a truly reciprocal, mutually beneficial relationship with the Chinese people.



### “Asia-fied” Baseball

As Joseph Reaves stated, baseball in China “can look so similar and somehow feel so different.”<sup>46</sup> Despite Major League Baseball’s best efforts to integrate the sport into Chinese culture, baseball will take form in its own, unique manner in China. Regardless of MLB intervention in China, Japan is the keeper and guiding light of baseball in Asia, and China will adapt a Japanese style of baseball, which can coexist with Chinese cultural norms and tendencies. Japanese baseball celebrates “little ball,” which is consistent with the Confucian value system and emphasizes team harmony, discipline, and the collective good. Japanese baseball supports sacrifice bunts, sacrifice flies, and slap hits, all of which benefit the team as a whole as opposed to personal achievement, whereas American baseball favors “big ball” and mirrors the American notions of physicality and individualism. Chinese society follows not only Japanese principles, but also its inspiration for playing baseball.<sup>47</sup>

(Continued on page 12)

<sup>42</sup> Ibid.

<sup>43</sup> Stephen Wade, “Selling Game in China Costly, Rewarding,” *Associated Press* 11 March 2008, 15 March 2008 [http://ap.google.com/article/ALeqM5i6cSuF7TBnGXJyAJMebHVrc5\\_TpOD8VD6iOO0](http://ap.google.com/article/ALeqM5i6cSuF7TBnGXJyAJMebHVrc5_TpOD8VD6iOO0).

<sup>44</sup> Op. cit. 38.

<sup>45</sup> George Gmelch, *Baseball Without Borders: The International Pastime* (Lincoln: University of Nebraska Press, 2006).

<sup>46</sup> Joseph A. Reaves, *Taking In A Game: A History of Baseball in Asia* (Lincoln: University of Nebraska Press, 2002).

<sup>47</sup> Ibid.

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The Chinese word for baseball, *bangqiu*, translates to “bat ball” or “stick ball,” but during World War II the sport was known as *yeqiu*, or “field ball,” a word closely associated to the Japanese and Korean words for baseball, *yakyu* and *yagoo* respectively.<sup>48</sup> This parallel is no accident. Despite baseball’s American origins and MLB’s involvement, the sport incorporates Asian values. Baseball will conform to the prevailing culture and societal norms in China, and the sport – the strategy, style of play, and reaction of fans and players – will resemble Chinese values, which coincide with those in Japan more so than in the United States. MLB should not interfere with the assimilation process, because Chinese fans and players will reject the sport if it possesses a distinctly American feel. Chinese culture will only accept baseball if it is markedly theirs.

Ryan Hutzler <[rhutzler2@gmail.com](mailto:rhutzler2@gmail.com)> wrote his Senior Thesis at Trinity College in Hartford on “Baseball’s Global Trend and Emergence in China,” which won The Public Policy and Law Book Prize as the most esteemed department work. He was selected as a Fulbright Scholarship finalist to continue his studies of baseball’s growth and development in Chinese culture and society. Chinese. He currently works at a Washington, D.C., law firm and resides in Arlington, VA.

*Salary Cap* (Continued from page 2)**COMPETITION**

The business of baseball, like most team sports, is unique in that it depends on healthy competition to have market viability. In most businesses, firms strive to dominate their rivals and put them out of business. However, a baseball team needs other teams to be somewhat successful so there is healthy competition. If a baseball team becomes too dominant, the public perception of competitive contests could fade, attendance may suffer, and revenues would drop.

Competition in baseball takes on three forms:

- Winning an individual game;
- Making the playoffs;
- Winning the World Series.

In any given game, there is a fairly high probability that either team could win. For example, if we look at the winning percentages of all major league teams as of September 16, 2009, the team with the lowest winning percentage, the Washington Nationals, with a record of 50 wins and 94 losses, still has won 35% of its games. In addition, they have won 44% of their home games. Therefore, fans of the Nationals do have almost a 50-50 probability of seeing their home team in a very competitive position in their home ballpark.



Why is this so? Fortunately, a major influence on the probability of a team winning is its starting pitcher. Almost every team in the Major Leagues has at least one formidable starting pitcher. In addition, many major league pitchers have the potential to have an excellent outing. The difference between good and poor pitchers is consistency. Therefore, fans attending a particular game can never be quite sure of the ultimate outcome resulting in some level of uncertainty and the potential for a competitive contest.

The second form of competition has to do with which teams make the playoffs. While it is difficult to predict the exact teams who will make the playoffs, it is fairly easy to eliminate more than ½ of the teams as

(Continued on page 13)

*Salary Cap* (Continued from page 12)

non-contenders given the lack of overall talent on their roster. It is fairly obvious that such teams will be unable to win enough games during a 162 game season to be a playoff team. The law of large numbers comes into play. While a team with a .350 winning percentage has a .35 probability of winning a given game, the probability of such a team becoming a playoff contender after a season is nil.

The ultimate prize in major league baseball is the World Series. To win the World Series, a team must win two playoff series in their league and then win a best four out of seven series against the champion of the other league. While the team with the most talent often wins the World Series any team that makes the playoffs can have a successful run since the span of games in the playoffs and World Series is short when compared to the season. The playoffs and World Series are very competitive.

#### **OWNERSHIP STRATEGIES WITH RESPECT TO TALENT**

From the above discussion, the ownership and management of a major league franchise must make a decision concerning how much to spend on the acquisition of talent. While it would be expected that every team will be pursuing the World Series, ownership approaches concerning talent acquisition vary.

The largest spender in the last 25 to 30 years of baseball has been the New York Yankees. However, Forbes (Ozanian and Badenhausem 2009) reports that the Yankees have had a negative net income for several recent years. The Yankees are willing spend an exorbitant amount for talent even to the point where the annual costs are greater than annual revenues.



While certain other teams are willing to spend a great deal, many will still want to show a positive net income. Such teams are the Boston Red Sox and the New York Mets. These teams show a positive net income but recognize that they could increase annual

net income with a reduced payroll. However, they also recognize they could diminish their playoff possibilities with lower spending.



Other teams, mainly so-called small market teams, may desire to maximize annual net income and constrain their spending on talent. As a result, such teams may be competitive on a game-by-game basis but have little chance at being a playoff contender. The Pittsburgh Pirates appear to fall into this category given their 17 consecutive losing seasons. Of course there are exceptions to such a categorization. The Florida Marlins with relatively low payrolls were able to win the World Series in 1996 and 2002. Also, in 2007 Colorado and Arizona were the National League playoff winners with Colorado going to the World Series.

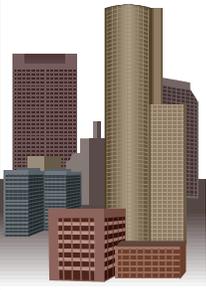
#### **POSSIBLE TRANSITION**

The issue concerning a salary cap has been hotly debated during these past few years. Individuals who prefer the status quo point to the Marlins and the success of certain small-market teams. However, as earlier indicated, certain owners have pointed to the possible need of a salary cap given the Yankees off-season moves.

The 2009 season has been a banner year for the Yankees. They are currently leading the American League East, have the best winning percentage in baseball, and have just moved into the new Yankee stadium. It appears that having the largest payroll in baseball has produced significant dividends. In looking at the most recent acquisitions, it does appear that the Yankees have learned from their experience how to approach the free-agent market in getting three players in their prime, Mark Teixeira, C.C. Sabathia, and A.J. Burnett. In the past, the Yankees may have been too lucrative with players who have passed their peak.

The Boston Red Sox are second in the American League East and have the second highest payroll. The Red Sox may have relied too heavily on player acquisitions of pitchers who had passed their prime. While

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*Salary Cap* (Continued from page 13)

far behind the Yankees, the Red Sox have still been successful when looking at their won-loss record.

In fact, when one looks at the standings of the various divisions, the teams with the highest payroll are doing quite well. There are two exceptions and that is the New York Mets and the Chicago Cubs although the Cubs are still a possibility for a wild-card position as of September 15, 2009.

Have the big-market teams acquired certain knowledge during these past thirty years to be more successful in the future? It certainly appears that the Yankees have become more knowledgeable. In earlier years, certain free-agent acquisitions have not proved successful. If this is a trend, baseball may see a greater shift in the competitive balance favoring big-market teams.

While it has been stated that an individual game can be very competitive, the importance of individual games diminish as a season goes on. If a team is out of playoff contention, attendance suffers in late August and September while teams in contention will see a continuation of good attendance. This trend exacerbates the revenue stream between successful high payroll teams and low payroll teams who have no chance of making the playoffs. For example, Arizona had only 21,453 fans attend a Sunday game on September 13, 2009 while San Diego had less than 20,000 fans on that same day. Both teams are out of contention and smaller crowds for the remaining home games are anticipated.

### REVENUE SHARING IN BASEBALL

In 2002 baseball enacted a few changes in how revenues would be distributed. Each major league team contributes a certain percentage of local revenues to major league baseball. This money collected from each team is then redistributed to all major league franchises using approximately the same percentage. Obviously, teams with large revenue streams such as the New York Yankees and the Boston Red Sox end up losers since the absolute amount they contribute is much less than the amount they receive. For small-

market teams such as the Cleveland Indians and the Pittsburgh Pirates, the reverse is true. Major league baseball also generates considerable income through online broadcasting, their new television station, and other such enterprises. Some of this money is also allocated to the major league teams with the teams with the worse records receiving greater funds.

While this approach is supposedly to create a better balance in the talent throughout baseball, the performance of certain teams seems to indicate that this approach is not totally working. Once again, the Pittsburgh Pirates have had seventeen consecutive losing seasons and while teams such as the Tampa Bay Rays do surprise, they seem to be the exception.

Some of the reasons for this are as follows:

- There is no mandate that major league teams invest in talent. A team may just take the funds from major league baseball and use such funds to increase the profitability of its operations.
- Teams increasing payroll through the free agent process are not always successful on the field. For several years since the mid-80s, teams like the Yankees and Orioles did sign expensive free agents that did not perform. In recent years, the Orioles have seemed to abandon such a strategy although they did pursue Mark Texeira last year.
- While some teams are not aggressively pursuing free agents, they have decided to invest in signing players from the baseball draft and also investing in the farm system. This is proving to be a more expensive proposition as high-round draft picks are commanding much higher signing bonuses.

### THE QUESTION OF A SALARY CAP

It has been shown that the competitive balance will be enhanced with a salary cap (Kesanne 200, 141) However, the baseball players' union would be expected to vigorously fight such a cap. In addition, I am not convinced the owners would present a united front. While professional football is often used as an example of the benefits of a salary cap, the competitive nature and the economics are quite different. There are far fewer games in a football season. Football also derives a considerable amount of its revenue stream from na-

(Continued on page 15)

*Salary Cap* (Continued from page 14)

tional football packages which are distributed to teams. Without some form of salary cap, I would argue that the individual football contest would be much less competitive than an individual baseball game resulting in lower television revenues for football. This is critical since there are far fewer games in a football season.

**RECOMMENDATIONS**

If a salary cap would be difficult to enact, what possible changes could be enacted to improve the competitive balance in baseball if the competitive balance is changing. The following should be studied:

- While a cap will be difficult to enact, the issue of a salary floor should be strongly considered. Certain teams when they receive their funds from revenue sharing are not putting those dollars into acquiring talent. Some of these teams have decided that they would rather enhance their balance sheets and income statements rather than be more competitive in a season. Interestingly, this sounds very much like the situation with federal funds being provided to banks in the financial crisis of 2008 and 2009. Many banks who received such funds did not increase lending, the goal of the federal program, but used the funds to improve the bank's financial position.
- Teams that make a conscious decision not to pursue free agents but put their funds into signing draft picks and developing their farm systems should not be penalized by the first recommendation. While enacting a floor, it is in the best interests of baseball to factor into such a floor not just the existing payroll but the bonuses paid to draft picks. Such bonuses can be quite high as evident by the \$15 million paid by the Washington Nationals to Stephen Strasberg (Keith 2009).
- In the next labor negotiations, baseball should strongly consider copying the practice of professional basketball and develop a common pay scale for draft picks. It is not in the best interests of all of baseball to pay exorbitant

amounts to untested draft picks. The road to major league status is not an easy one for a draft pick. The risks attached to paying exorbitant bonuses create questions concerning such spending. Such a provision will probably result in the next contract talks since it is a win-win for both current major league players and the owners.

The above steps should be studied to develop a more competitive balance in baseball given that a salary cap will be extremely difficult to negotiate. While much work needs to be done to arrive at specific proposals, MLB will benefit by moving in this direction.

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Franchise Changing Years (Continued from page 1)

used with a significance-to-enter (SLE) level of  $10^{-6}$  and a significance level-to-stay (SLS) of  $10^{-4}$ .

Let's see how the model fits the St. Louis Cardinals. Before any shifts in winning percentage over time are entered, the residual  $\chi^2$  is 427.0. Of all possible one or two season changes, the most dramatic in Cardinal history was a 2-year climb in 1920-21, with a  $\chi^2$  value of 146.3. After that, a franchise changing drop occurred in 1950, with a  $\chi^2$  value of 38.7. Thus, the two changes accounted a total of 185.0  $\chi^2$  points, dropping the residual  $\chi^2$  to 245.8 (the two, as is usual, add almost but not perfectly to the initial residual  $\chi^2$  value). The model, along with year-by-year winning percentages, is shown in Figure 1. Here are the key features of the 2-year transition mul-

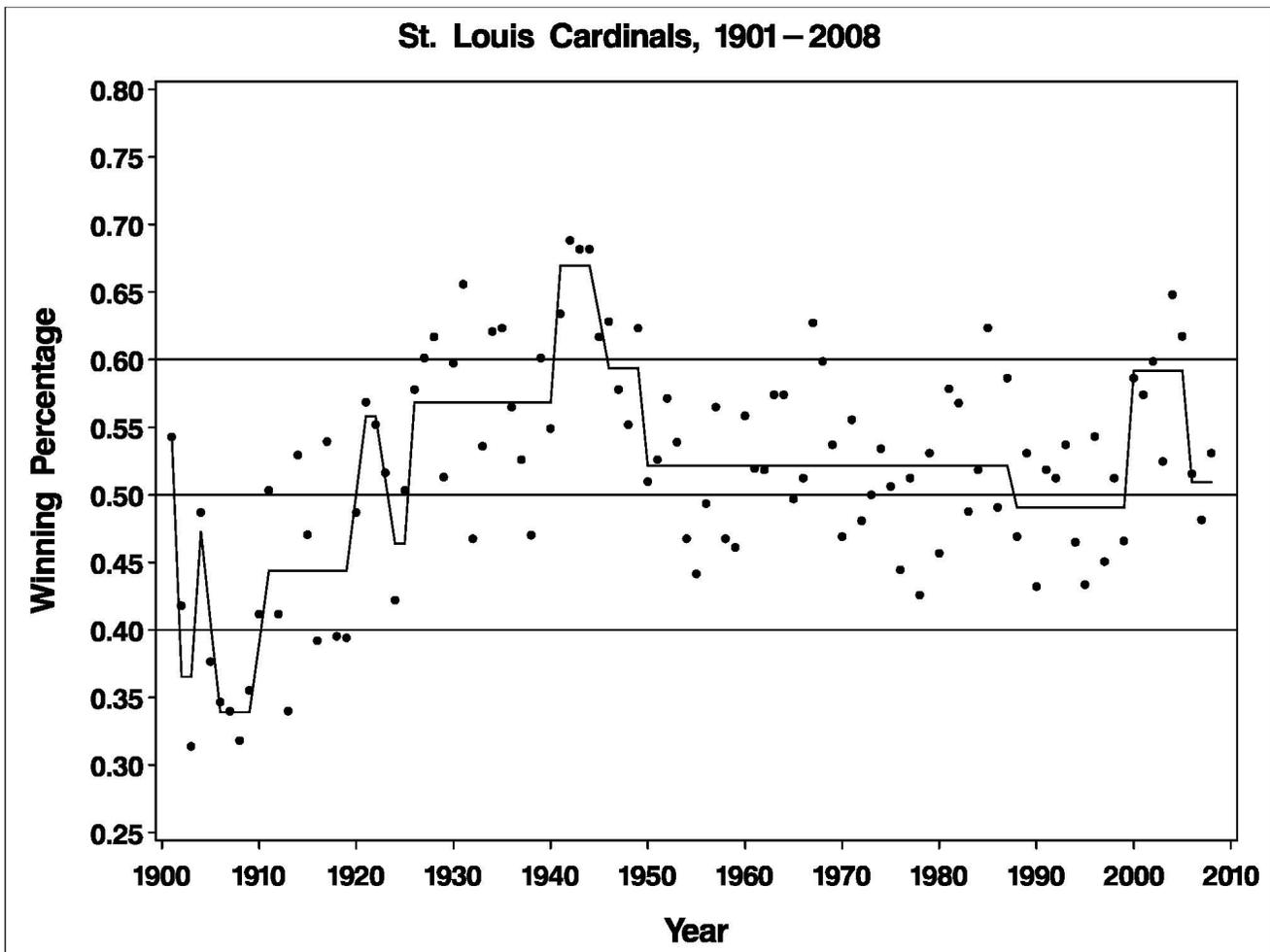
tipole changepoint model:

- Winning percentage hovers around a given level until a transition to a new level occurs.
- Transitions occur either over one or two seasons.
- A stepwise approach produces best models.
- The SLE and SLS values are appropriate.

Comments on the modeling features given above:

- 1) The winning percentage of a league is by construction constant at 50% each year. In recent years, the best consistently good teams hover around 60%. Thus, this type model seems suitable.
- 2) By allowing for a 2-season change, a more gradual shift to a new winning percentage level is possible. While from a team development perspective, one might wish to model transitions of three or even more

Figure 1



*Franchise Changing Years* (Continued from page 16)

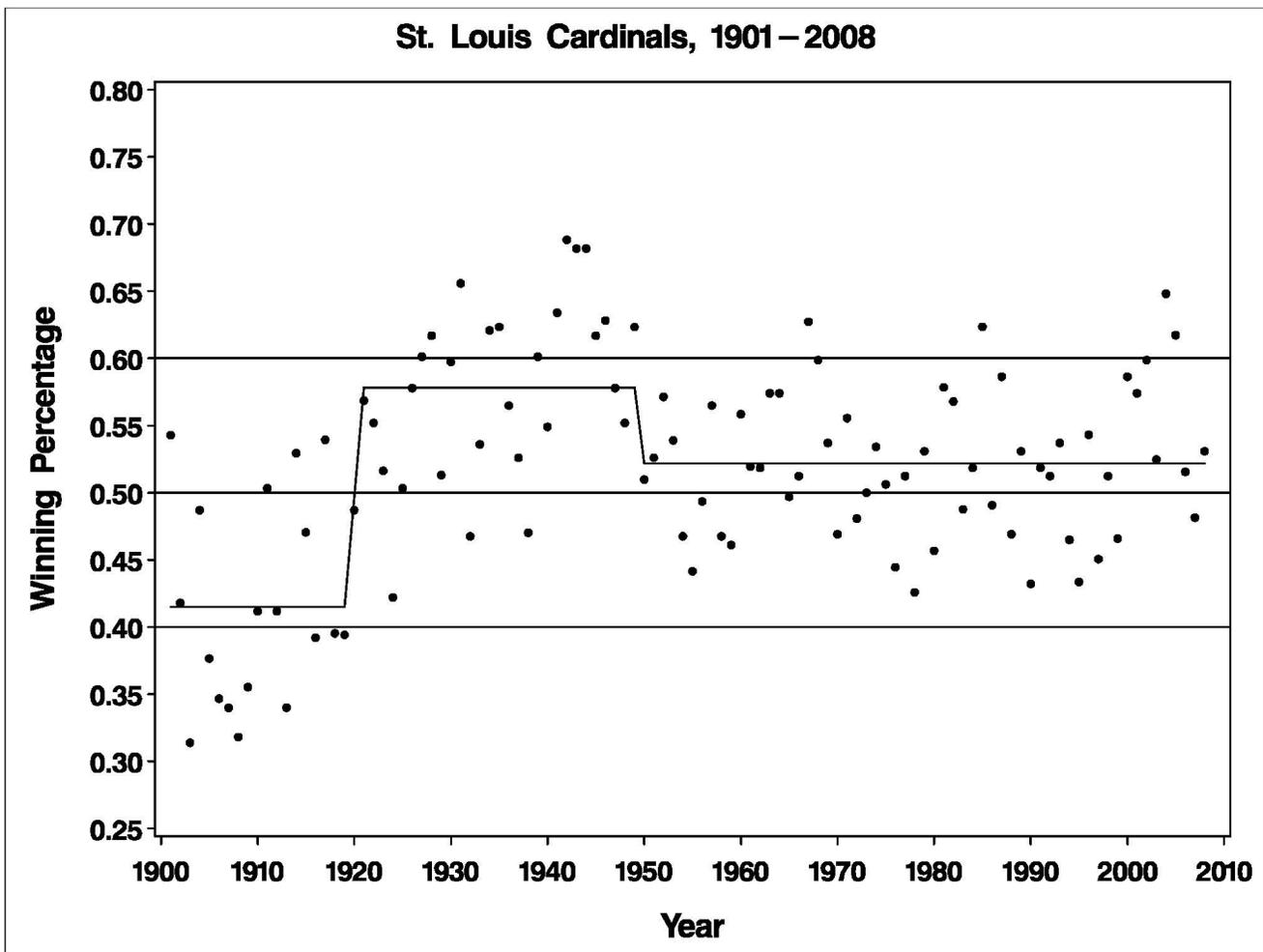
years, quirky models are possible where overlapping shifts (like a 1-year shift occurring in the middle of a 3-year shift) are possible. An investigation by the author suggests that a transition model allowing for up to 3-year shifts provides little practical advantage over the 2-year transition model.

3) There are three principal sequential search techniques available: forward selection, stepwise selection, or backward elimination. Generally, backward elimination is emerging as the favorite approach by applied statisticians when possible. It can only be used, however, when the number of observations exceeds the number of possible model variables; thus, it cannot be used with the 2-year transition model. Stepwise selection tends to be preferred to forward selection, as

some variables that are added into the model early, later are not found to have high statistical significance after additional variables have been included.

4) The principal modeling issue with stepwise selection is that an SLS level is needed as well as an SLE value (with the restriction that the SLS level must be at least as large as the SLE level). A reasonably strong case can be made for setting these values for identification of statistically significant transitions. Although not the focus of this article, a summary argument for their choice is given here. For a forward selection model, an SLE of .03 leaves an average residual  $\chi^2$  per team roughly equal to the number of years - 1, which represents the expected average residual  $\chi^2$  if there were no true shift in the team's winning ability. Thus, an SLE of .03 divides the mean-only residual  $\chi^2$  into signal and noise (or chance, if

Figure 2



(Continued on page 18)

*Franchise Changing Years* (Continued from page 17)

you like) components. Taking an SLS of .20, the same split is roughly maintained, while shifts that no longer contribute strongly to the signal are discarded. Using those SLE and SLS values, the models for the 30 MLB teams include 295 one- or two-year shifts among major league teams since 1901. This model will be called the *winning percentage transition model* for a team, and is illustrated for the St. Louis Cardinals in Figure 2 on the previous page.

The SLE and SLS levels for *franchise changing years model*, set at  $10^{-6}$  and  $10^{-4}$ , respectively, are somewhat arbitrary, but keep the total number of changing years (FCYs) identified to a much smaller total of 52 transitions, allowing us to focus our attention on these most significant ones. With  $SLS = 10^{-4}$ , only one transition selection was later discarded (a shift in 1937 for the Boston Red Sox was no longer needed after a 2-year transition in 1933-34 was added to the model).

### Original American League Franchises

There have been 23 FCYs among the eight original AL franchises. The 10 that occurred by the mid-1930s are well known in baseball folklore. Four of them involve the dismantling, rebuilding and dismantling again of Connie Mack's Philadelphia Athletics; the dismantling and rebuilding of the Boston Red Sox in the 1920s and 1930s, with the Yankees being the chief beneficiaries of the decline of the Red Sox; the Washington Twins jump to improved performance and subsequent decline strongly overlaps with the Walter Johnson years; the White Sox declined significantly with the Black Sox scandal.

The 1960s proved to be shifting years in the success

fortunes of AL teams, with the Indians (1960), Yankees (1965) and White Sox (1966) all declining as counterbalance for the rising fortunes of the Twins in 1962 (a year following their move from Washington to Minnesota) and the Athletics (which neatly synchronized with their move from Kansas City to Oakland in 1968).

Five FCYs have occurred in original AL franchises since the 1960s: the Twins (1971), Orioles (1985-86), and Tigers (1989) all suffered declines in their success, while the Yankees and Indians both saw dramatic improvements with the 1994 season. The Indians ability to maintain and build a top team was certainly aided by their move to Jacobs Field, which saw a major league record 455 consecutive sellouts from June 12, 1995 to April 2, 2001 (source: Green Cathedrals, PJ Lowry, SABR, Walker & Company, NY, 2006).

### Original National League Franchises

Among the original major league franchises, the typical pattern is for the next change to be in reverse direction to the previous one; that is, an FCY leading to a lower winning percentage is followed by one improving the winning percentage, as vice versa. There are only two exceptions to this pattern: in the 1920s, the Philadelphia Athletics had consecutive FCYs resulting in winning percentages rises, as they re-built a powerhouse team in the 1920s. The second case is the Pittsburgh Pirates. The Pirates best seasons were in the early years of the twentieth century, where they compiled a .626 winning percentage from 1901 to 1912, the second highest for any team era except the 1902-12 Chicago Cubs. From 1913 to 1992, the Pirates had an 80-year stretch when they won 50.9% of their games. In 1993-94, the Pirates dropped to a be

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Table 1. Franchise Changing Years And Winning Percentages of Original AL Teams

Baltimore Orioles	1901	↑ 1957	↓ 1985-86			
	.430	.569	.468			
Boston Red Sox	1901	↓ 1921-22	↑ 1933-34*			
	.548	.359	.532			
Chicago White Sox	1901	↓ 1921	↑ 1951	↓ 1966		
	.553	.454	.567	.500		
Cleveland Indians	1901	↑ 1948	↓ 1960	↑ 1994		
	.515	.590	.464	.546		
Detroit Tigers	1901	↓ 1989				
	.521	.442				
Minnesota Twins	1901	↑ 1911-12	↓ 1934	↑ 1962	↓ 1971	
	.371	.538	.439	.561	.489	
New York Yankees	1901	↑ 1919	↓ 1965	↑ 1994		
	.475	.618	.526	.598		
Oakland Athletics	1901	↓ 1915	↑ 1921-22	↑ 1925	↓ 1934-35	↑ 1968
	.593	.305	.443	.615	.400	.522

↑ Significant rise in winning percentage; ↓ Significant decline in winning percentage

Color code: 1901 season; SLE ≤ 10<sup>-20</sup>; 10<sup>-20</sup> SLE ≤ 10<sup>-9</sup>; 10<sup>-9</sup> SLE ≤ 10<sup>-6</sup>

Winning percentage from year above it up to the following changing year

\* Replacing 1937, which was significant at 10<sup>-9</sup> but dropped out when 1933-34 entered

### Franchise Changing Years (Continued from page 18)

low average team, with a .472 winning percentage through 2008. The New York Giants joined the Cubs and Pirates as the third strong team of the early 1900s, shifting upwards in 1903 and having a long run of success (.595) before dropping back to a .512 winning percentage since 1938-39.

The St. Louis Cardinals and Philadelphia Phillies franchises have coincidental FCYs but in opposite directions. At the interface of the deadball and liveball eras, the Phillies and Cardinals winning fortunes shifted by 14% and 16%, with the Cardinals enjoying the shift upward. Around 1950, the Cardinals dropped down 6%, while the Phillies gained 12% back. The Cubs and Giants both declined around 1940, being counter-balanced by the rising fortunes of the Brooklyn Dodgers and, in 1946, by the Boston Braves. Interestingly, the Dodgers saw a shift downward in 1957, a year before their move to Los Angeles. The 6% winning percentage decline was offset neatly by the 8% gain by the Reds in 1956.

After 1957, the occurrence of FCYs among original NL franchises dropped considerably. Of 20 FCYs, only 5 occurred after 1957, an average rate of one every 81.6 team-years. Three of the recent FCYs are

linked with the Braves franchise. The team declined significantly in 1970, jumped from “worst-to-first” in 1991 and had a tremendous run of success with John Schuerholz as general manager, Bobby Cox as manager, with three of the best pitchers of their era in Greg Maddux, Tom Glavine, and John Smoltz. In 2005-6, the Braves dropped downward to become a more average team. The other recent franchise shifts were the decline of the Cincinnati Reds in 1982 and the Pittsburgh Pirates in 1993-94.

### Expansion Teams

There are 9 FCYs among the 14 expansion teams, with teams having at most one FCY. The teams can be divided into two groups of seven teams each. In Group A, the teams had very poor initial winning percentages. Six to 17 years into their franchise history, the teams shifted to roughly league average performance (.503 up from .405) In Group B, the teams did not have an extended period of very poor winning percentage. Consequently only two have experienced franchise changing years – the Angels, who ascended to a high winning percentage starting in 2002, and the Royals, who shifted significantly downward in 1996-97.

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**Table 2. Franchise Changing Years and Winning Percentages of Original NL Teams**

Atlanta Braves	<b>1901</b>	↑ <b>1946</b>	↓ <b>1970</b>	↑ <b>1991</b>	↓ <b>2005-06</b>
	.424	.542	.451	.610	.485
Chicago Cubs	<b>1901</b>	↑ <b>1902-03</b>	↓ <b>1913-14</b>	↑ <b>1926-27</b>	↓ <b>1940</b>
	.374	.647	.499	.583	.472
Cincinnati Reds	<b>1901</b>	↑ <b>1956</b>	↓ <b>1982</b>		
	.480	.559	.489		
Los Angeles Dodgers	<b>1901</b>	↑ <b>1939</b>	↓ <b>1957</b>		
	.469	.595	.535		
Philadelphia Phillies	<b>1901</b>	↓ <b>1918-19</b>	↑ <b>1949</b>		
	.509	.371	.495		
Pittsburgh Pirates	<b>1901</b>	↓ <b>1913</b>	↓ <b>1993-94</b>		
	.626	.509	.436		
San Francisco Giants	<b>1901</b>	↑ <b>1903</b>	↓ <b>1938-39</b>		
	.366	.595	.512		
St. Louis Cardinals	<b>1901</b>	↑ <b>1920-21</b>	↓ <b>1950</b>		
	.415	.578	.522		

↑ Significant rise in winning percentage; ↓ Significant decline in winning percentage

Color code: 1901 season; SLE ≤ 10<sup>-20</sup>; 10<sup>-20</sup> SLE ≤ 10<sup>-9</sup>; 10<sup>-9</sup> SLE ≤ 10<sup>-6</sup>

Winning percentage from year above it up to the following changing year

**Table 3. Franchise Changing Years and Winning Percentages of Expansion Teams**  
*Group A*

Team	First Year	FCY	Yrs to FCY	Win Pct Before	Yrs After FCY	Win Pct After
Texas Rangers	1961	↑ <b>1974</b>	14	.408	35+	.491
Houston Astros	1962	↑ <b>1968-69</b>	7	.413	40+	.514
New York Mets	1962	↑ <b>1968-69</b>	7	.416	40+	.504
San Diego Padres	1969	↑ <b>1975-76</b>	7	.369	33+	.480
Seattle Mariners	1977	↑ <b>1993</b>	17	.427	16+	.512
Toronto Blue Jays	1977	↑ <b>1982-83</b>	6	.363	27+	.523
Tampa Bay Rays	1998	↑ <b>2008</b>	11	.399	1+	.599
Average			9.9	.405	27.4+	.503

*Group B*

Team	First Year	FCY	Yrs to FCY	Win Pct Before	Yrs After FCY	Win Pct After
Los Angeles Angels	1961	↑ <b>2002</b>	42	.483	7+	.570
Kansas City Royals	1969	↓ <b>1996-97</b>	28	.517	12+	.417
Milwaukee Brewers	1969	----	40+	.474	----	----
Washington Nationals	1969	----	40+	.479	----	----
Colorado Rockies	1993	----	16+	.470	----	----
Florida Marlins	1993	----	16+	.474	----	----
Arizona Diamondbacks	1998	----	11+	.505	----	----
Average			27.6+	.485		

↑ Significant rise in winning percentage; ↓ Significant decline in winning percentage

Color code: SLE ≤ 10<sup>-20</sup>; 10<sup>-20</sup> SLE ≤ 10<sup>-9</sup>; 10<sup>-9</sup> SLE ≤ 10<sup>-6</sup>

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*Franchise Changing Years* (Continued from page 20)

In the tables above, the changing years were classified into three different color groups, depending upon the significance level. Twelve changing years were significant at an  $SLE \leq 10^{-20}$ . The eight in the National League primarily clustered in two periods:

1) in the second half of the deadball era with the decline of the Pirates (1913) and Phillies (1918-19) and rise of the Cardinals (1920-21), and 2) around World War II, with the rise of the Dodgers (1939), Braves (1946), and Phillies (1949) and decline of the Cubs (1940). The other extremely significant NL change was the rise of the Mets in 1968-69. In the AL, the four most significant changes were two late deadball changes – the decline of the Athletics (1915) rise of the Yankees (1919) – and two major rises linking closely with franchise re-locations – the Baltimore Orioles (1957) and Oakland A’s (1968). Let’s count down these top 10 most significant changes (two franchises have coupled changing years that emerge at the same SLE):

**Overall Summary**

Franchise changing years represent major shifts in the winning fortunes of MLB teams. Many of these changes occurred in the first half of the 20<sup>th</sup> century when the variability between good and poor teams was much greater than it is today. Among expansion teams, half had extended periods of 6 to 17 years of poor play before shifting upwards. At the current time, most teams are within are averaging between .465 and .535 since their last FCY. The three exceptions on the high side, the Yankees (.598; 15 years since 1994), Angels (.570, 7 years), and Rays

(.599, 1 year) have relatively short histories. The Rays will drop to around .550 when the 2009 season is included. The Yankees and Angels have outstanding financial resources and could maintain such success for a while. Only the Detroit Tigers (.442 since 1989) have a winning percentage below .465. Sometimes several years of performance at a new playing level is needed to produce the statistical evidence necessary to separate it from the current average. With a decent season in 2010 (they need 168 total wins in 2009 and 2010), they Tigers would establish a new franchise changing year dating back to 2006.

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**Table 4. Most Statistically Significant Franchise Changing Years.**

Franchise	Changing Years	$\chi^2$	Winning Percentage		
			Before	After	
10. New York Mets	1968-69	99.3	.334	.504	
9. Brooklyn – Los Angeles Dodgers	1939	99.5	.469	.550	
8. Pittsburgh Pirates	1913	106.6	.626	.497	
7. New York Yankees	1919	108.7	.475	.584	
6. Chicago Cubs	1940	134.2	.566	.472	
5. St. Louis Browns – Baltimore Orioles	1957	146.0	.430	.523	
4. St. Louis Cardinals	1920-21	146.3	.478	.540	
3. Boston-Milwaukee-Atlanta Braves	1946	160.9	.424	.524	
2. Philadelphia Phillies	1918-19; 1949	216.9	.509	.371	.495
1. Philadelphia-Kansas City-Oakland A’s	1915; 1968	231.7	.593	.430	.522

*Rickey Being Rickey* (Continued from page 2)

alma mater located not far away from Wilberforce in Delaware, just north of the state capital of Columbus. It was at Ohio Wesleyan back in 1903 when he was still an undergraduate and serving as baseball coach that he watched in anguish as his one African-American player Charles Thomas was denied a hotel room with the rest of the team. The seed of the idea to build a racially integrated team based on merit was born that day.



Harold Rhodenbaugh, Look Magazine Photograph Collection, Library of Congress, LC-USZ62-119888 at <http://lcweb2.loc.gov/cgi-bin/query/h?pp/>

More than 40 years later Rickey was able to do something about integration when he signed Robinson. And when the stellar athlete made the major leagues in 1947, Charles Thomas, now a dentist in Albuquerque, New Mexico who had stayed in touch with his former coach, was thrilled.<sup>1</sup>

So on this night of Monday February 16, 1948 the crowd of 250 at Wilberforce leaned forward in their chairs eager to

hear what Brooklyn's famous baseball executive had to say. And Rickey did not disappoint them, delivering a speech that was his characteristic mix of idealism, shrewdness and anti-communism. "I've had this Robinson story inside me for a couple of years and I've decided the time has come for me to tell just how I feel about the whole thing," he exclaimed. "Who thinks of the inconsequentials when great matters of common challenge and natural interest confront us?"

"I believe that racial extractions and color hues and forms of worship become secondary to what men can do," he went on eloquently. He praised baseball fans for their acceptance of Robinson for his performance on the field. "The American public is not as concerned with a first baseman's pigmentation as it is with the power of his swing, the dexterity of his slide, the gracefulness of his fielding or the speed of his legs," he said. Probably because he wanted to soften

his image as the penny-pinching El Cheapo who short-changed the players at contract time, Rickey explained that he had spent \$25,000 of Brooklyn Dodger team money in his search for the right player to break the color line. His scouts thought that they were looking to stock a third Negro league but Rickey said that it was only a ruse.

Rickey confided that when he first met Jackie Robinson two weeks after the end of World War II in late August 1945, "Robinson had no idea I wanted him for a white team. I dramatized six situations I knew he would come up against in baseball. I called him names. I all but hit him. And don't kid yourselves, this Robinson is no 'gentle breeze.' He's a competitor." However, Rickey assured his audience that Robinson is "a credit to his race and he knows he has much of his race's future on his shoulders."<sup>2</sup>

To the contemporary ear in the more diverse America of today, I realize that Rickey's rhetoric may seem condescending but you have to consider the time he lived in and not write history backward placing too casually our own viewpoints into earlier situations. The phrase "a credit to his race" was often used in Rickey's time by individuals of good will who wanted to improve conditions for black people, especially after nearly one million had served in uniform during World War II, but were wary of militancy in the black community. And no one was more fearful of racial firebrands than Branch Rickey who warned the Wilberforce audience, "There is a Communistic effort to get credit for 'forcing' us to sign Robinson, but I warn you to be on your guard against that thing."<sup>3</sup>

As sometimes happened in his long and eventful career, Branch Rickey did not think about how some of his comments might be received and what headlines might be written. Throwing caution aside at one juncture in his prepared remarks, he leveled a surprising attack on his colleagues in the baseball business. "After I had signed Robinson but before he had played a game," Rickey declared, "a joint major league meeting adopted unanimously a report prepared by a joint committee which stated that however well-

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<sup>1</sup> Mark Harris, "Branch Rickey Keeps His 40-Year Promise," *Negro Digest*, September 1947, 4-7.

<sup>2</sup> All quotes from the Wilberforce speech come from the AP report in the *New York Times*, February 18, 1948, 37. It was also reported in the *New York Herald Tribune*, February 18, 1948, 33.

<sup>3</sup> *Ibid.*

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intentioned, the use of Negro players would hazard all the physical properties of baseball.” He continued, “I tried to get a copy of the report but league officials tell me they were all destroyed. *But let them deny they adopted such a report, if they dare. I’d like to see the color of the man’s eyes who would deny it.*”<sup>4</sup> (italics added).

The question-and-answer period at Wilberforce went on well past midnight and then Rickey flew back to New York where the next appearance in his busy schedule was a Wednesday February 18 luncheon. The main business at this occasion was supposed to be the announcement of a joint program of the Dodgers and the young men’s magazine *Argosy* designed to discover the best young athlete in the New York City area. Not surprisingly, the one burning subject on the minds of the New York sportswriters was Rickey’s denunciation of his fellow owners for trying to block Jackie Robinson’s promotion because predictably every owner willing to comment on Rickey’s speech had denied that a vote against integration was ever taken. And recently retired Yankees co-owner Larry MacPhail, once a close associate of Rickey who had become his virulent antagonist, was preparing an attack that he would release at the end of the week calling Rickey “a liar . . . who double-crossed his associates for his own personal advantage, raided the Negro leagues, and took players without adequately compensating them.”<sup>5</sup>

At the Wednesday luncheon Rickey became uncharacteristically defensive. Tommy Holmes, a gifted columnist for the Brooklyn *Eagle* who was usually sympathetic to Rickey, wondered why at Wilberforce the Brooklyn executive “tossed dynamite as if it were confetti.”<sup>6</sup> Rickey resorted to the reading of a prepared statement saying that although the press had accurately reported his words at Wilberforce, his comments had led “to interpretations not intended and certainly not foreseen.” He said that he had only brought up the 1946 owners’ opposition to integration as an example of how much they had come to accept it by

1948. And indeed at Wilberforce Rickey had noted that two unidentified American League teams were entering the market for black players (the Indians had already signed Larry Doby and would soon sign Satchel Paige and the White Sox would soon sign Minnie Minoso) and four unidentified National League teams had asked him if Robinson were available in a trade and if not where they could find good players of color. Rickey added that only one owner, who he did not identify, had ever openly objected to Robinson’s signing.<sup>7</sup>



The owner in question was the Philadelphia A’s venerable leader Connie Mack but Rickey would never publicly criticize his longtime baseball friend. Sportswriter Red Smith was less cautious about identifying Mack as a major opponent of integration. In a column in the New York *Herald Tribune* “Jim Crow Had Friends,” Smith criticized himself for urging Mack in 1946, when Smith wrote for the Philadelphia *Record*, to go off the record when he vociferously opposed Jackie Robinson’s appearance in spring training. “The reporter” (namely Smith) should have been sent to bed “without his supper” for not wanting to embarrass the aging Philadelphia legend thereby enabling his overt racism.<sup>8</sup>

Undoubtedly, a major reason in Rickey’s moving so quickly to soften his Wilberforce accusations was that after his Wilberforce speech and before the New York luncheon he had been informed that other sensitive subjects besides integration had been discussed at that highly unusual owners’ meeting in the summer of 1946. Among them were the efforts of free-lance labor organizer Robert Murphy’s American Baseball Guild that had almost pulled off a strike of Pittsburgh Pirates players before a June 1946 game; the so-called “outlaw” Mexican League’s continuing inducements to major leaguers; and the establishment of baseball’s

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<sup>4</sup> *Ibid.*

<sup>5</sup> New York *Times*, February 21, 1948.

<sup>6</sup> Tommy Holmes, Brooklyn *Eagle*, February 19, 1948.

<sup>7</sup> New York *Times*, February 19, 1948.

<sup>8</sup> Red Smith, “Jim Crow Had Friends,” New York *Herald Tribune*, February 19, 1948.

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first players pension where criticisms of baseball commissioner Happy Chandler for his role in supporting the unprecedented program had been raised. These were all subjects that the owners, including Rickey, did not want publicized.



The question still remains: Why did Rickey bother to attack his fellow owners at Wilberforce so intemperately? It is virtually impossible to fully explain the machinations and thought processes inside Branch Rickey's fertile brain. There is no doubt that he felt justifiably proud for his

part in baseball's racial breakthrough for the good of the game, his Dodgers and the country in general. He was arguably at the height of his fame in his distinguished career.

He had also just branched out into being the major domo of the Brooklyn football Dodgers. Just a few days before Rickey spoke at Wilberforce, he had introduced the gridiron team's new coach Carl Voyles to the New York sportswriters and chided University of Mississippi quarterback Charley Conerly for turning down Brooklyn's multi-year \$110,000 contract offer to sign with the more established New York Giants.<sup>9</sup> That extravagant financial comment would be at the beginning of Rickey's disastrous excursion into pro football in the short-lived All-America Football Conference that would cost the baseball team a few hundred thousand dollars in losses and give Walter O'Malley, Rickey's great antagonist in the Brooklyn ownership, ammunition for his case to not rehiring Rickey when his contract expired at the end of the 1950 season.

Yet we should not discount the interpretation that a large part of the explanation for his Wilberforce outburst was that Wesley Branch Rickey was a genuine idealist who deeply believed in equal opportunity for all Americans, black as well as white, especially after the savage World War II and the beginning of a Cold War that could turn hot at any moment. He was undoubtedly offended at Larry MacPhail's use of that coded phrase "hazards to the physical properties of

baseball" as a way of saying that too many black fans coming to see the black player Robinson in the International League in 1946 might prefigure white fans staying away from ballparks when Robinson was likely to come up to the major leagues the following season. As it happened the National League set an attendance record in 1947 with Jackie Robinson becoming a great drawing card both at home and on the road.

Another factor in the Wilberforce outburst was that Rickey was also still seething at MacPhail's role in the suspension of Dodgers manager Leo Durocher for the entire 1947 season. Before the start of that season, MacPhail had demanded that baseball commissioner Happy Chandler investigate Rickey and Durocher for having told the press that MacPhail had given known gamblers box seats for a Dodgers-Yankees exhibition game in Venezuela. There was never any doubt in Rickey's mind that Durocher's suspension for "conduct detrimental to baseball" was patently unfair.

With Larry MacPhail retired from baseball permanently, Rickey wisely did not get into another war with words with his petulant rival. 1948 spring training was on the horizon and Rickey hoped that all the distracting disturbances of 1947 were in the past.

Among Leo Durocher's actions that had incurred Commissioner Chandler's wrath was Durocher's running off to Mexico in January 1947 to marry actress Laraine Day in defiance of a California judge's court order not to rush any nuptial until Day's divorce to her previous husband was final. By early 1948 Durocher was legally married to Day in the United States and Rickey looked forward to having his favorite skipper back at the helm. Of course, Durocher had a cantankerous personality – "he has a fertile capacity for taking a difficult situation and making it infinitely worse" is how Rickey once phrased it – but Rickey believed that no manager was better at getting the most out of every player on a baseball team. Durocher was also color-blind and had played an im-



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<sup>9</sup> New York Times, February 11, 1948.

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portant role in spring training 1947 in squelching any opposition from the anti-Robinson players on the Dodgers team.

If it was ironic that Rickey's passionate Wilberforce speech about racial equality led to his temporary embarrassment, it was doubly ironic that the return of Durocher to the Brooklyn managerial reins would founder on the fiery Leo the Lip becoming *too* domestic.

Branch Rickey loved the virtues of matrimony – he had seen it work wonders in his own life with his vibrant family of five daughters, one son and many grandchildren – but Rickey was beginning to sense that Leo's intense concentration on baseball was becoming secondary to his marriage. Leo was seen squiring Laraine all over the hot spots near the team's Dominican Republic spring training base. On the eve of opening day of the 1948 season, in a piece entitled "Laraine Has Switched – From Pictures to Pitchers," New York *Post* entertainment and gossip columnist Earl Wilson wrote that Day was going to concentrate on being a baseball wife once the filming of "My Dear Secretary" was completed. A Mormon who neither drank nor smoked, Day told Wilson that Leo has become similarly abstemious. "He never did [either] much and now he doesn't at all. And I didn't twist his arm," she said.<sup>10</sup>

Another disturbing omen for the 1948 Dodgers came when Jackie Robinson reported to spring training at least twenty pounds overweight. Durocher fumed, "He was skinny for [previous manager Burt] Shotton and fat for me." He ordered Robinson to don a rubber suit and perform a series of demanding up and down exercises to hasten his conditioning. Robinson was not



the only overweight Dodger – "this is the fat man's training camp," quipped sportswriter Harold Burr in the Brooklyn *Eagle*<sup>11</sup> – but Robinson's condition was certainly an irritant to the reinstated skipper.

Once the season started, Durocher couldn't decide on a set lineup. In one early season game against the Giants, he used 24 players in a loss to their loathed rival (at that time, rosters did not have to be reduced to 25 until May 15 but 24 in one game was still a high number).



Early in spring training Rickey had traded second baseman Eddie Stanky to the Boston Braves for first baseman Ray Sanders in order to free up second base for Robinson, his best position. But during the first two months of the regular season Durocher shifted Robinson back to first base, giving youngster Eddie Miksis a shot at second base.

The Dodgers' starting pitching was in disarray and by the end of May last year's pennant winners had fallen into the National League basement. Boo birds were beginning to be heard at Ebbets Field where many ticket prices had been increased in 1948. Attendance was plummeting; ultimately the 1948 Dodgers would draw 400,000 fewer fans than they had during the record-setting season of 1947.<sup>12</sup>

At first Branch Rickey took the blame for the team's lackluster performance, publicly second-guessing himself about the trade of Eddie Stanky and defending Durocher's performance as a manager faced with injuries to key players like outfielder Pete Reiser and shortstop Pee Wee Reese, and catcher Bruce Edwards and pitcher Harry Taylor who would never regain their 1947 form.<sup>13</sup>

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<sup>10</sup> Earl Wilson, "It Happened One Night," New York *Post*, April 16, 1948, 31.

<sup>11</sup> Harold Burr, Brooklyn *Eagle*, March 5, 1948.

<sup>12</sup> Brooklyn *Eagle*, April 28, 1948 on ticket increases; Henry Fetter, "Robinson in 1947: Measuring An Uncertain Impact," in Joseph Dorinson and Joram Warmund, ed. *Jackie Robinson: Sport, Race and The American Dream* (Armonk, N. Y., M. E. Sharpe, 1998), 191, on attendance figures.

<sup>13</sup> Brooklyn *Eagle*, June 24, 1948.

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By late June, with the Dodgers still mired in the second division, Rickey realized that a change had to be made to salvage the season. However, he hesitated to remove his manager because Rickey hated to fire any employee, especially someone he had been attached to as long as he had been to Leo Durocher who he had traded for in 1933 when Rickey desperately needed a shortstop for the St. Louis Cardinals. Another delaying factor was Rickey being hospitalized with a bladder infection.

During the first two weeks of July the New York press were expecting the shoe to drop any day, yet the denouement was certainly unexpected. Giants owner Horace Stoneham was increasingly unhappy with his team's lagging fortunes and had decided to replace manager Mel Ott. Stoneham asked Rickey if Burt Shotton were available and was stunned when Rickey asked if he would like Durocher instead. Finally on



July 16, 1948, what John Drebin-ger in the *New York Times* called baseball's "most electrifying triple play" stunned the New York sports scene.<sup>14</sup> Durocher resigned from the Dodgers to take over the reins of the Giants, Burt Shotton returned to manage the Dodgers and Mel Ott was kicked upstairs to

the front office and shortly afterward given the consolation prize of having his number 4 retired in an on-field ceremony. (A fourth managerial change occurred on July 16 when the struggling Phillies fired Ben Chapman who had been responsible for the worst racial-baiting of Jackie Robinson in 1947; his replacement Eddie Sawyer would lead the youthful "Whiz Kid" Phillies to the 1950 pennant, Philadelphia's first since 1915.)

"When you add up the price of meat, the fall in the market, the troubles in Israel, and Russia's threat to start air maneuvers in our air lanes to Berlin, that Durocher really did displace a vast number of important things. For a while, anyway," wrote Ralph Trost in the *Brooklyn Eagle*.<sup>15</sup>

The Dodgers rallied behind the calm leadership of Burt Shotton who most of the players knew from his steady work in 1947. A song at the February 1948 New York sportswriters dinner, delivered in the sonorous bass-baritone of New York *Times* sportswriter Roscoe McGowen to the tune of "Ol' Man River," summed up Shotton's understated talents:

Ol' man Shotton, dat ol' man Shotton  
 Didn't say nuthin'; he sure knew somethin'  
 He just kept rollin'  
 He kept on rollin' along.  
 He had no aces, he did no cheatin'  
 But all his rivals were badly beaten  
 Dat ol' man Shotton, he just keeps rollin' along.<sup>16</sup>

The Dodgers' resurgence was also aided by the arrival of catcher Roy Campanella who came up on July 1 from the Dodgers' St. Paul, Minnesota farm club where Rickey was delighted he had integrated the American Association. With Campanella's emergence backup catcher Gil Hodges was now freed to become the everyday first baseman. For a brief moment later in the summer of 1948 the Dodgers climbed into first place but they ultimately finished third.

With Shotton at the helm for the entire 1949 season the Dodgers rebounded to win the pennant as Jackie Robinson reported to camp in the best shape of his career. Branch Rickey's not-too-subtle Christmas gift of a bathroom scale had undoubtedly sent a message.<sup>17</sup>

During 1949 Don Newcombe would also emerge as the first successful major league African-American pitcher. Rickey's dream was coming true of beating his baseball rivals to the punch in tapping the fertile market for African-American baseball players. Yet he was genuinely happy when Horace Stoneham also began to integrate the Giants in 1949 with the arrival of Monte Irvin and Hank Thompson. By 1951 Willie Mays would arrive at the Polo Grounds and a new chapter in the fierce Dodger-Giant rivalry would begin, a racially integrated rivalry with Durocher leading one of the teams in his irreverent color-blind way. When the Giants put on the field an all-African-American outfield of Monte Irvin, Willie Mays and

(Continued on page 27)

<sup>14</sup> John Drebin, *New York Times*, July 17, 1948.

<sup>15</sup> Ralph Trost, *Brooklyn Eagle*, July 17, 1948, 8.

<sup>16</sup> *Brooklyn Eagle*, February 2, 1948.

*Rickey Being Rickey* (Continued from page 26)

Hank Thompson in the 1951 World Series, Durocher quipped, “Looks a bit dark out there, doesn’t it?”<sup>18</sup>

Unfortunately, Branch Rickey would not be around to enjoy in person these new installments of the New York battle of the boroughs because after the 1950 season he lost the power struggle within the Dodger hierarchy to Walter O’Malley. The Wilberforce speech, its aftermath and the drawn-out replacement of Durocher did not help him in his desire to stay on in Brooklyn once his contract expired. The death in July 1950 of John L. Smith, the Pfizer Chemical millionaire and wealthiest partner in the triumvirate that ran the Dodgers since 1945, sealed his fate.

The last 15 years of Rickey’s baseball life as Pittsburgh Pirates general manager and president of the still-born Continental League were not crowned with the success he enjoyed for most of his St. Louis and Brooklyn years. As we have seen, Branch Rickey was often too loquacious and complicated for his own good but his place in baseball history and our national

history is secure. I suggest that no one ever articulated the American creed of equality of opportunity and liberty and justice for all better than the man to whom an autographed copy of Martin Luther King’s book about the Montgomery, Alabama bus boycott *Stride Towards Freedom* was inscribed:

To Branch Rickey – in appreciation for your genuine goodwill, your unswerving devotion to the ideals of freedom and justice, and your courageous willingness to make American sports truly American.<sup>19</sup>

Lee Lowenfish <[leelow627@earthlink.net](mailto:leelow627@earthlink.net)> has been a SABR member for over 30 years. His Seymour Medal-winning biography *Branch Rickey: Baseball’s Ferocious Gentleman* is now out in paperback from the University of Nebraska Press, which plans to reissue the second edition of his first book, *The Imperfect Diamond: A History of Baseball’s Labor Wars*, in the spring of 2010. He also collaborated with Tom Seaver on *The Art of Pitching* and with the Major League Baseball Trainers on *The Professional Baseball Athletic Trainers Fitness Book*. This article was originally presented at SABR39 in Washington, D.C.

<sup>17</sup> Arthur Mann, *The Jackie Robinson Story* (New York: Harpers, 1956), 208.

<sup>18</sup> Andrew Spurgeon “Doc” Young, *Great Negro Baseball Stars* (N.Y. A. S. Barnes, 1953), 132.

<sup>19</sup> Quoted in paperback edition of Lee Lowenfish, *Branch Rickey: Baseball’s Ferocious Gentleman* (Lincoln, NE: University of Nebraska Press, 2009), vii.

## Business of Baseball Committee

The Business of Baseball Committee co-chairs are Steve Weingarden ([steveweingarden@gmail.com](mailto:steveweingarden@gmail.com)) and John Ruoff ([jruoff@bellsouth.net](mailto:jruoff@bellsouth.net)). Ruoff edits *Outside The Lines*.

The committee's website is at <http://www.businessofbaseball.com>. [Ken Cherven](#) is our webmaster. You should stay in touch with the site as we improve the look and add content.

The Committee's discussion group, BusinessofBaseball, is on YahooGroups. If you are a member of the Committee and want to join, go to <http://sports.groups.yahoo.com/group/BusinessofBaseball/> or send an e-mail to [Business of Baseball-subscribe@yahoogroups.com](mailto:BusinessofBaseball-subscribe@yahoogroups.com).

### From the Editor

This issue of *Outside the Lines* contains four articles based on presentations made at SABR39 in Washington, D.C. We thank the authors for their willingness to share those pieces with us. Rickey biographer, Lee Lowenfish takes a look at Branch Rickey's inflammatory address on race and baseball at Wilberforce State University in 1948. Michael Schell applies a transition multiple changepoint regression model to identify shifts in team winning percentage over time. Ryan Hutzler describes the history and prospects for baseball in China, the game's "next frontier". John Burbridge examines the need for and likelihood of a salary cap in baseball. We thank the authors for their willingness to share those pieces with us.

The next issue of *Outside the Lines* will come out in the Fall. We are always looking for high quality research on the business side of the game. The deadline for the Fall issue is December 1. If you have research that you would like to share with us, please contact me at [jruoff@bellsouth.net](mailto:jruoff@bellsouth.net).

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