

Economic Suicide

Written by {ga=gdbenz}

Thursday, May 10 2007 7:00 PM -

In Gary Benz's latest column, he points to the Yankees' signing of Roger Clemens to a one year deal prorated at 28 million dollars as a glaring example of what's wrong with baseball's economic system. Gary also hits on Clemens being able to avoid steroid allegations, Bud Selig's role in all of this, and the contract potentially affecting the Indians pending negotiations with ace C.C. Sabathia.



If you want to know what's wrong with baseball economics, look no further than Monday's announcement by the New York Yankees that they've signed pitcher Roger Clemens to a prorated \$28 million contract for the rest of the season.

Yankee fans, of course, are celebrating this event mostly because their pitching has been decimated by early season injuries and they currently have the fourth-worst ERA in the American League. There is also the perception of Yankee fan that Clemens brings the kind of experience, at age 44, that will turn the struggling team into World Series champions, something they haven't been since 2000.

Red Sox nation, on the other hand, isn't exactly celebrating, mostly because in their view they came up short again in trying to lure Clemens back to Fenway Park and the team that cast him aside years ago as being in the twilight of his career. Mostly, though, Red Sox fan is against the move for the simple fact that whatever is good for the Yankees is bad for the Red Sox.

In this case, though, the feelings of the Red Sox and their fans have a much greater and general application. The signing isn't just bad for the Red Sox, it's bad for baseball. In underscoring why it's bad for baseball, one need not even get into any of the many side issues surrounding Clemens. For example, it's always been odd that with Clemens observers have merely whispered about his possible involvement with performance enhancing drugs while simultaneously screaming from the rooftops about Barry Bonds. Of course some have pointed out how Clemens continues to defy odds and put up unbelievable numbers at an age where his skills should otherwise be diminishing, much like Bonds. Those same folks have also pointed out the unbelievable physical changes Clemens body has undergone over the years, again not unlike Bonds. And, of course, those folks continue to point out that by more or less retiring each season and then unretiring when the season is well under way, Clemens seems to avoid any

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sort of drug testing during the off-season.

It's also of no consequence to focus on what the Yankees don't get for their millions, things like leadership, for example. Not only does Clemens get the late reporting date, he also gets the privilege of not having to even be with the team on days he's not scheduled to pitch. The only thing the Yankees get is about 18 starts and nothing more.

Both of those scenarios don't enhance the game either, but whatever Clemens' alleged involvement with performance enhancing drugs may or may not be or whatever his princess treatment entails, they represent only the secondary reasons why his signing is bad for baseball. The first is that it drives home how completely broken baseball's economics have become and how that breach threatens the game.

Clemens' salary may be pro-rated to reflect the fact that he is just now returning, but had he been with the Yankees on day one, his \$28 million salary would have been higher than the current payroll of the Tampa Bay Devil Rays, and not just by a little, but by a full \$4 million, or the equivalent of what the Indians are currently paying their closer, Joe Borowski.

Ok, you say, "well, that's Tampa Bay, what do you expect?" But Clemens' salary is only \$2.5 million less than the entire Florida Marlins payroll, or a bit less than the equivalent of what the Indians are collectively paying Rafael Betancourt, Fernando Cabrera, Fausto Carmona, Tom Mastny, Kelly Shoppach and Jeremy Sowers. In fact, for what the Yankees are paying Clemens, they could have almost half of the entire Indians roster, give or take a Josh Barfield.

One can play that game in all sorts of ways, but perhaps one barometer to really consider is the list of the highest paid players in baseball. Considering the Yankees now have a payroll in excess of \$200 million, it won't surprise anyone that the list of the Top 10 highest paid players is dominated by the Yankees. With his new salary, Clemens will top the list, but barely. Close behind is Jason Giambi at \$23.4 million, Alex Rodriguez at \$22.7 million and Derek Jeter at \$21.6 million. Also in the Top 10 is Andy Pettite, another free agent acquisition of the Yankees in the offseason, who is currently 7th on the list with \$16 million. In other words, 5 of the top 10 players in all of baseball reside in the Bronx.

Even more astounding is the fact that the collective salaries of just those five players are almost \$112 million. If they were a team unto themselves, they'd have the fourth highest payroll in baseball, which is about 84% higher than the Indians current payroll.

You can cut these payroll statistics all day and every day and still find more and more insidious ways in which the disparity works against the best interests of baseball. That may be amusing to some but to most it is fair to ask: where is Commission Bud Selig in all of this? Why doesn't he step in to put a stop to the insanity for the good of the game?

It wasn't all that long ago that baseball actually had a commissioner in Bowie Kuhn who viewed his job in the historical context in which it was created and thus stepped into a similar situation before the wheels fell off. The year was 1976 and Oakland As owner Charlie Finley decided to gut his three-time world champs by selling Vida Blue to the Yankees and Rollie Fingers and Joe

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Rudi to the Red Sox. Kuhn vetoed the deals because he believed that they weren't in the best interests of the game. Finley threatened legal action but Kuhn didn't relent. Eventually, Kuhn's decision was upheld in court. Technically, Selig has the same power with respect to the Clemens deal. There is no chance he'd ever consider acting similarly, even though this is an arguably worse situation.

Of course, there are those who will argue that the Clemens signing is actually good for the game. But pressed for a cogent argument, the best that can be mustered is that every major league sport needs a flagship team, a foil, someone that fans in Boise, Idaho can get passionate about, either way. There is some merit to that and one need only consider the parity in pro football that breeds a good deal of disinterest in the casual fan.

It is also true that there is a certain amount of pleasure and satisfaction in knocking off the school yard bully, if only for a game or perhaps a series. It seems like sublime justice that with all the money spent, the Yankees haven't won a world series since 2000. But beyond such fleeting feelings of superiority, the simple truth is that if that's the best argument for the Clemens signing, the validity of the arguments against it are further underscored. Simply put, baseball cannot stand such financial disparity and survive healthy and intact.

Consider the impact this signing will have on the Indians and the pending free agency of C.C. Sabathia. The Indians awarded Sabathia with an above-market contract early in his career in order to retain his services for as long as possible while avoiding the scourge of a salary arbitration process that works only to further alienate a player from his current ballclub. But any goodwill the Indians engendered by such a move will become essentially irrelevant when it comes time to negotiate a new contract. When Indians general manager Mark Shapiro sits down with Sabathia's representatives, the Clemens contract and all that flows from it will be the elephant in the room, even if they never address it directly.

It may be true that Clemens' current salary isn't likely to be the starting point in the negotiations with Sabathia, but it's naïve to believe that it won't have an impact. As we like to say, a high tide tends to raise all ships and as other pitchers creep up into Clemens' salary range, the average price for a top of the rotation pitcher will quickly exceed the Indians reach, if it doesn't already. Even taking out the Dolans factor in this equation, the bottom line issue revolves around the wisdom of devoting a disparate amount of the team's payroll to one player.

When teams like the Yankees aren't forced to live within any kind of budget, whether imposed in the form of a salary cap or through common sense business metrics, it makes it very difficult for every other team operating under a different paradigm. Most teams with deep pocket owners, such as the Texas Rangers, still find it difficult to operate successfully when too much of your payroll is devoted singularly. That's why the Rangers ultimately dumped Alex Rodriguez on the Yankees, the only team that could really afford the contract. A Rod may have been making the Rangers a more marketable team temporarily, allowing them to sell a few more tickets and jerseys, but ultimately it's wins that matter and with his salary chewing up so much payroll it was difficult for the Rangers to complete the puzzle. In fact, though Rodriguez is long gone from the Rangers, they are still struggling from the forced neglect to the rest of their team that his outsized contract ultimately required, although they are closer now to putting together a more

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complete team than at any time when they had Rodriguez.

In the end, if Indians fans don't realize it yet they soon will. The Yankees signing of Clemens and the ripple effect it will have on pitcher salaries throughout the league makes it much less likely today that Sabathia will be an Indian after next season. If anything, it hastens his exit via a trade. And this is a scenario that will no doubt be repeated throughout most of baseball as teams struggle with their own versions of Sabathia. If Selig really thinks this is all good for the game then baseball has an even bigger problem.