

Stacking The Odds

Written by {ga=gdbenz}

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Recent history in Major League Baseball has shown a direct correlation between spending and winning. Exhibit A is 13 straight playoff appearances for the Yankees. The Red Sox have been exhibit B. In virtually that same period of time, the Red Sox have nearly matched the Yankees dollar-for-dollar in payroll and only finished lower than second in their division once, last season when they were third. But is that trend changing? And will it cause the big spenders to rethink their spending habits? Gary Benz tackles the issue.



It's easy, convenient and commonplace right now to use the Indians' win over the Yankees Tuesday night as a symbolic ending of sorts of another Yankees' era. And if that turns out to be the case, it's worth celebrating. But hopefully it has a much more useful purpose, that being as a substantive, if temporary, end to baseball's bizarre economics.

Money matters in sports and always will. But whereas football with its hard salary cap and basketball with its semi-hard cap has brought a level of socialization to those sports that has been anything but evil, the capitalistic experiment that Major League Baseball has allowed to run nearly amok has created such galling disparities that it threatens the very foundations.

It's been written many times already and is getting almost cliché to decry how the economics of baseball ultimately portends its downfall. If things continue unabated, that will occur. But thanks in large part to the Indians' victory over the Yankees and what that likely means to the Yankees, the end of the world may be

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a little further down the road than it was at the start of the season.

Looking at the results of the divisional series in both leagues one conclusion to draw is that in the end, money didn't make a difference. The combined payrolls of the Indians, the Diamondbacks and the Rockies do not equal what the Yankees spent on their mess of a team. But scratch a bit below the surface and you'll find that for many years now there is no surer way to building and sustaining a playoff caliber team than by spending outrageous sums. That kind of spending doesn't guarantee ultimate success but on the other hand it's always nice when you can stack the odds in your favor and baseball still has too many teams trying to do just that, even as it threatens the game's overall health.

The Yankees have been exhibit A. They may have had some trouble over the last seven years or so in terms of advancing to the World Series, but with all the talk about how that supposedly reflects on some mythical shortcoming of manager Joe Torre, don't forget that in his 12 years as manager, the Yankees have not missed the playoffs. In that same period of time, the Yankees have spent nearly \$1.6 billion on players.

The Red Sox have been exhibit B. In virtually that same period of time, the Red Sox have nearly matched the Yankees dollar-for-dollar in payroll and only finished lower than second in their division once, last season when they were third. As a result of their insane spending, those two teams are primarily, but not solely, responsible for baseball's inflated economics and growing disparities between the so-called large market and small market teams.

Exhibits C, D E, F and G have helped and they are not hard to peg, either, even if their success has been less consistent. The Angels, Cubs, Tigers, Dodgers, White Sox and Phillies all have massive payrolls and have had for several years.

But over the last few years, a variety of teams, including three of this year's four

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participants in the league championship series have demonstrated that being a low payroll team doesn't necessarily translate to failure on the field. The same held true to a certain extent last year as well with the success of the Twins and the As. And while other examples can be had in most any other season, right now it sure feels like there is something about the way the Indians put away the Yankees in this year's ALDS that could very well change the equation.

It's unlikely that George Steinbrenner will be pleased with what he got this year for his \$194+ million dollar payroll. It's unlikely he's pleased with what he got over the last three years for spending nearly a half a billion dollars, for that matter. And while he may be fiscally insane, he's not stupid. Sooner or later he's bound to notice the trend.

Indeed it's actually happening and the Indians victory will only accelerate the process. When you look at the Yankees this past season, Alex Rodriguez, the best regular season player of his generation and one of the best regular season players of all time, helped keep the Yankees from falling completely off the map early. But his presence alone wasn't enough to make them competitive.

It was only when the Yankees completely committed to youth, in the form of guys like Melky Cabrera, Robinson Cano, Chien-Mien Wang, Joba Chamberlain and Phil Hughes did they really begin to take off. The combined salaries of that group are around 10% of what Rodriguez alone makes.

Even if Steinbrenner proves to be too pigheaded to see the trends right now, it's clear they haven't been lost on their GM, Brian Cashman, who told the media Monday night that he is completely committed to organic growth. In other words, Cashman has seen what guys like Mark Shapiro have been able to do over the last several years and has realized that there may be another, indeed better, way.

The real question is that with religion seemingly suddenly returning to the

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Yankees, will guys like Theo Epstein in Boston and the lunatics running the payrolls of their clubs into similar ether come to similar conclusions. A year or two ago it would have been sheer folly to even consider that scenario. Now it may be slightly more realistic.

The Yankees payroll this past season was actually down from 2006. More to the point, with all their talented youth, their average salary per player was nearly cut in half, from almost \$3 million to nearly \$1.5 million. When Roger Clemens drops off and if Jorge Posada doesn't resign, it's likely to drop further. The real question is whether Cashman or Steinbrenner will be able to resist the temptation to grab another overpriced trinket if the Red Sox don't do similarly. We can always hope.

The real likelihood in all this is that the Bostons, New Yorks, Anaheims, Chicagos and Detroits will only commit a payroll of less than \$100 million as an acceptable but impermanent business model and that relative economic balance will be returned only temporarily. Instead, their commitment to youth will be as it's been in the past-a means for replenishing their ranks to create attractive trade bait for teams like Cleveland with players like C.C. Sabathia whose talent and experience will eventually price them out of reach of their existing team.

But until that happens, we all can and should enjoy the respite because teams like Cleveland are likely to have the competitive advantage over their previously free spending counterparts. They have been operating in a budget constrained environment for years and better understand its vagaries. This, of course, doesn't guarantee sustained success either, but for once it would be nice to have the odds stacked in our favor.