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THE BASEBALL STRIKE

by Warren Nelson //

The major league baseball strike is alienating public affection from our national pastime. Although a recent field poll indicated that Californians are siding two to one with ballplayers against the owners, most fans also say they are sick of the dispute and dismiss it as just an ego battle between overpaid jocks and multimillionaire owners. This view oversimplifies a classic labor-management struggle between a professional workers union and a hardline group of corporate investors in the booming entertainment sector of our economy.

In 1966, the Major League Baseball Players Association (MLBPA) finally succeeded in organizing players George Meany once described as "unorganizable." Since then, the Association and its brilliant chief negotiator, former Steelworkers attorney Marvin Miller, have forced the owners to recognize the skills of the journeymen and to reward them appropriately for what is, on average, only a five year major league career.

The ballplayers today earn minimum salaries of close to \$35,000 a year, and a median salary which is considerably higher. (The average salary of \$150,000, now widely quoted, is a statistical distortion of the much lower median, since it includes the salaries of a few highly paid superstars.) They enjoy improved benefits, a comprehensive pension plan, and an effective grievance/arbitration system. In addition, the Association has given the players sound investment and personal counseling to help them adjust to a different kind of working life when their athletic skills begin to erode.

To be sure, many major league players are free spirits and are less than loyal to any idealistic concept of labor solidarity. Players crossed the major league umpires' picket lines in 1980 and have often ignored the efforts of striking municipal stadium employees. But in 1972 when the MLBPA called the first modern strike of major league athletes, the rookies and journeymen and superstars alike demonstrated unusual unity, which they have maintained intact in the current strike.

The Issues in the Strike: All wage and benefit issues were settled in the 1980 negotiations. This year, the only outstanding matter is free agency compensation and the owners financial ability to pay the accompanying high salaries.

In 1975, the players won a "free agency" clause, granting them the right to offer their services to most of the teams of their choice after five years of service to the team that originally signed them. The owners were thus forced to compete financially for services which had traditionally been bound for the full career of the ball player. Although the Association does not represent players in individual negotiations, it and the journeymen players supported the free agency system because the hefty salaries of the superstars gave them ammunition in their own contract talks and tended to have a

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"trickle down" effect on the wages of less well-known players.

The owners, who have enjoyed official Congressional exemption from anti-trust legislation since 1890, were not prepared to allow an internal free labor market to develop in their sport. Now they seek to take back the free agency system and force the team which signs a Reggie Jackson or a Catfish Hunter to give up a player of "comparable worth" to the team which was "raided." The owners also hope that by emphasizing the free agent system, they will lead the American public to blame the strike on "greedy" superstars and side with the owners in the dispute.

A less well publicized issue in the strike is distribution of the profits from new media markets. Pay television is radically altering the delivery of all kinds of entertainment, including professional sports. Satellite, cable, and subscriber TV are expanding the baseball audience from the stadiums to the living rooms of the nation. Many of the owners are heavily involved in the media markets and are anticipating millions of dollars of income from new sources. Ted Turner, for example, owns both the Braves and the satellite TV station WTBS, which transmits Atlanta games all over the United States.

The MLBPA regards subscriber TV as the wave of the future, and has therefore tackled some of the same negotiating issues that led to recent strikes by the Screen Actors' and Writers' Guilds in the expanding television entertainment industry. In the present negotiations, the Association seeks to establish a precedent that players have a right to share in the profits from new markets for major league baseball.

Opening the Books: Shortly before the strike deadline, the Association charged the owners with an unfair labor practice and petitioned the NLRB to force the owners to disclose their financial situation. Federal Judge Henry Werker denied the request, ironically concluding his ruling with an order to "play ball." What might have been disclosed opening the books? No one knows for sure, but the information almost certainly would have weakened the owners' negotiating claims. Multimillionaires like George Steinbrenner of the Yankees, Ray Kroc of the San Diego Padres, and Gene Autry of the California Angels are astute businessmen, and would not be in baseball if it were not a profitable industry. The Ruly Carpenter family, supposedly priced out of the baseball market, is asking \$30 million for the Philadelphia Phillies franchise which they purchased for \$400,000 in 1943. With the ball parks empty during the strike, the Chicago Cubs franchise is being sold for \$20.5 million. Obviously there is substantial revenue potential in baseball--even with superstar salaries--and the players have every right to demand their share of it.

If the books had been opened, the fans might also have been surprised to learn the extent to which the general public pays taxes to build and operate the expensive facilities required by baseball and all other major league sports. Yankees owner George Steinbrenner, for example, paid less than \$200,000 in stadium rent in 1978, when his team won the World Series. The owners continually threaten franchise transfers, which routinely win even larger concessions from the general tax paying public. Public information about the

owners' tax write-offs and depreciation credits would have detracted from their publicity campaign about the supersalaries of the superstars.

How Will It Turn Out? The owners' approach to bargaining so far has been laced with a large measure of anti-labor arrogance, typical of the employers' offensive in other industries. Union members everywhere will recognize the style of the union's chief negotiator, Ray Grebey. Formerly of the General Electric Personnel Department, he practices the same media-management techniques that made Lemuel Boulware and Ronald Reagan famous when they developed these strategies for G. E. Grebey succeeded in deferring the free agent compensation issue from 1980 to this year's negotiations, and then made it a take-back proposition. For all practical purposes, he has ignored the players' counterproposals, and has made no attempt to compromise. Fortified by a \$50 million strike insurance policy, Grebey and the owners simply dared the players to strike.

As the strike moves into its third week, it appears that the players are still prepared to negotiate in good faith, while the owners prefer to frustrate the negotiations process by relying on their media influence and publicity campaign about superstar salaries. If they get enough public support, the owners feel they can either collect their strike insurance and wait out the strike, or try to split the united front which the players have so far maintained.

The owners' attempt to stall free and democratic collective bargaining in baseball implies that property interests are more important than the athletic abilities and professionalism of the players who have made the sport our national pastime. The sports loving American public surely will not allow the owners to convert baseball into a new kind of corporate monarchy. If they succeed in this strike, perhaps we will soon have J.P. Stevens and Coors Beer baseball teams, bringing us subscription TV games with anti-union advertising between innings.

--Warren Nelson

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