Baseball's Collective Bargaining Agreement: A New Era?

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It is difficult from this distance and without adequate Internet access to know precisely what happened to produce the settlement in the collective bargaining process between the owners and players in major league baseball. London is a major metropolitan area of the world with no lack of communications with the outside world, but quite frankly the level of interest in baseball is minimal. So it is with some trepidation that I try to comment on what has happened in the world of baseball over the past few weeks.

There are many people, like myself, who did not believe that there would ever be a successful collective bargaining process in this world of overpaid entertainers and the egomaniacal over bloated barons of baseball ownership. Alas it has happened and I for one am happy to say I was wrong and to welcome the new era, and it is a new era, with great joy. I don’t really know who is responsible for this major transformation in labor negotiations, but there is no doubt plenty of credit to toss around.

I must say what little I have seen in print has been both dismaying and encouraging. Some have inevitably couched this settlement in the language of winners and losers. The preferred casting seems to be that the owners won or at least that the players lost.

I would submit to you that in a good collective bargaining agreement there are no losers, only winners. This is especially true in this case where it can be argued that the very fact of an agreement without a work stoppage and massive public rancor is a major victory for sanity. The fact that in the first eight tries this could not be achieved makes this agreement a major milestone in baseball history.

For the first time it would appear that both sides had come to the table looking to make the process work. The players clearly understood that their run of total victories over incompetent and stubborn owners was coming to an end. This was especially the case if the owners were willing to bargain rather than to try to dictate terms or break the union.
It is now also clear that the owners had come to the conclusion that bargaining requires compromise and respect for both the process and your negotiating partners. The identity of opponents needed to be replaced by that of partners before anything could happen.

In addition the players and owners both realized that the public was not interested in arguments between billionaires and millionaires. Sympathy may have still rested with the owners, but it was a thin and shallow sympathy that could not support a work stoppage. The anger may have been directed more at the players, but then they were available targets on the field and accessible to those wanted to vent their feelings. This has always been the case in sports labor disputes and indeed in most labor disputes where owners have generally fared better with the public than have the workers.

This set of sympathies and attitudes have deep roots in the social philosophies of rugged individualism, the belief in individual responsibilities, and an aversion to collective actions which have been deeply seeded in the American middle class and encouraged by those purveyors of American values. How Marvin Miller ever persuaded athletes, those most rugged of individuals in the American world, to act collectively is one of the miracles of modern American culture. Or perhaps just the handiwork of bull-headed would-be robber-barons of the second half of the 20th century who looked nostalgically at the possibilities of returning baseball to the late 19th century days of Albert Spalding.

The signs of success were there even in the dark days of August when things looked most gloomy. In mid-August Donald Fehr said that by this time in the process in 1994 we were already convinced that a settlement was not possible. As the days moved on towards the end of the month the amount of rancor seemed to be much less than in previous negotiations and the amount of posturing seemed minimal. This may have been an illusion for me in London but I must say I felt a settlement was likely with only a short stoppage or none at all. If the stoppage was going to be short there really was no point in one at all as that would simply have enraged the mass of fans.

If you look back on the public statements of positions and compare those with elements in the final agreement, it is
clear that the only questions remaining in early August were matters of numerical compromise. The basic principles were agreed upon and only the final numbers needed negotiation. This of course is no small matter and not a simple math problem, but it is much different than one group talking about totally different issues than the other group.

On August 21 there were reports that the owners wanted the tax on payrolls to begin at the $102M level at a rate of 37.5% to 50%. The players were calling for a $130M to $150M threshold and a rate of 15% to 30%. In the end the levels will range from $117M to $136.5M over the term of the contract and the rates will range from 17.5% to 40%. It is hard not to see in these figures nothing more or less than a near perfect compromise. Similar numbers can be teased out of the player and owner proposals and final settlement on revenue sharing.

In addition a range of other issues were agreed upon including the scuttling of contraction during the contract, the implementation of an international draft, minimum salaries, benefits increases, and what I would regard as a sensible steroid testing program if one is really necessary at all.

The collective bargaining process worked as it should and one can only hope that this means both sides will be able to stay committed to the process in the years ahead.

Kudos to Fear and Loathing and all those others responsible for bringing sanity to the nuthouse.

On Sport and Society this is Dick Crepeau reminding you that you don’t need to be a good sport to be a bad loser.

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