When a team wins any sport championship, the next step would be to attempt a repeat, and why not? If this team won it all, then they can do it again, and it's this mentality that front offices fall into the trap of resigning and overpaying their current roster to try and run it back. However, we all know (or need to know) that winning a championship isn't about money; it's a combination of smart spending, timing, and luck. The Dodgers were able to win it all this season thanks to cap space saved from trading off old pieces (Matt Kemp, Yasiel Puig) in order to acquire Mookie Betts, but also the emergence of cheap talent like Dustin May, Will Smith, and even Walker Buehler. I've already shared how the Dodgers' tax space is limited and resigning anyone would be hard, but 1 option I didn't explore would be to ignore the tax cap and spend willy nilly. The reason I didn't was because of how this Dodger team shockingly mirrors the 2018 Red Sox during their offseason. Let me explain.

## Large Red Sox Contracts After 2018

- Dustin Pedroia \$15,125,000
- <u>Chris Sale</u> \$15,000,000
- David Price \$31,000,000
- Rick Porcello \$21,000,000
- J.D. Martinez \$23,750,000
- Mookie Betts \$20,000,000 (Arb 2)
- Pablo Sandoval \$18,445,000 (Retained Salary)

Leading into the 2018 Offseason, the Red Sox were in serious financial trouble. The contracts listed above took up almost ¾ of Boston's **total** tax threshold that year. After including the payrolls of the rest of the roster plus notable minor leaguers, the Sox were over \$10 mil over the cap, but because they believed they could still compete for a championship, the front office continued to spend in debt. Chris Sale signed a 5 yr, \$145 mil extension during the season as did <u>Xander Bogaerts</u> for 6 yrs, \$120 mil and <u>Nathan Eovaldi</u> for 4 yrs, \$68 mil, pretty much cementing the Red Sox to breaking the cap until at least 2022. As you can remember, this gamble didn't pay off as the Red Sox finished with a record of 84-78, ending up 3rd in the AL East and failing to make the postseason.

It was because of this recklessness that the Dodgers were able to snag Mookie (and Price) from the Sox. If Mookie stayed in Boston, he would be finishing his last year in Arbitration, meaning unless he'd be given an extension, he'd walk as a free agent, wasting any trading power to an organization not competing for the foreseeable future. However, if the Sox decided to keep Betts, he'd be making at least \$30 mil a year, exploding their payroll. After calculating the luxury tax rate and the Red Sox overspending, the front office would have to pay over \$200 mil in fines alone over Betts' first 3 years. The Yankees, another rich team who consistently breaks the tax cap, are at least reaping the rewards of their fines by remaining a playoff contending team. The Red Sox, on the other hand, are not only a sinking ship, but their farm system is one of the worst in the league, placing at 25th in 2020. In layman's terms, they'd be a losing team with no future, bleeding tens of millions of dollars each season.

So, what does any of this have to do with the Dodgers? As I've said before, the Dodgers do not have much tax space to work with and the temptation would be to schill out money to keep <a href="Justin Turner">Justin Turner</a>, Kike Hernandez, and Joc Perderson and run it back. Doing so would be mirroring the Red Sox's recipe for disaster. Filling out payroll now to resign these guys would jeopardize future long term signings. Similarly to how Boston couldn't keep Mookie without tax space, all-stars like <a href="Corey Seager">Corey Seager</a> (FA in 2022) and <a href="Cody Bellinger">Cody Bellinger</a> (FA in 2024) could be traded for scraps, and I'll be damned if we don't resign these perennial super stars.

## Don't Worry

There are 2 good reasons why this won't be the case. First, Andrew Friedman is our President of Baseball Operations and, for better or for worse, one of the stingiest executives in franchise history. Betts has been the only max contract deal of his tenure as he didn't bite on the ridiculous contracts of Giancarlo Stanton or Gerrit Cole, which was definitely the right choice. Friedman's trend of low commitment contracts has been the saving grace of this team, as it gives more opportunities for the farm system to transition to the major leagues, so we'd never expect him to just throw massive contracts on a whim. The other reason is because of Covid. Despite winning the World Series, a feat which generates billions of dollars for an organization, the Dodgers have lost over \$100 million. This is because Dodger Stadium have been rank #1 in fan attendance for the last 8 years, and not having fans this year kills revenue. It's because of these losses that the front office would be more mindful of the luxury tax and long term losses, so we don't have to worry about our team falling apart any time soon.

So what was the point to all this if it's not going to happen? I just wanted to laugh at the Red Sox, but also to see how bad, short sighted decisions can spell doom for a World Series organization.

#IDontKnowWhatImTalkingAbout