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WR13300

Professor Clauss

April 23, 2015

### Buy Low, Win Big

Situation: As a baseball player and a fan of the New York Mets (unfortunate, until now) and all of Major League Baseball, I am writing to my Writing and Rhetoric classmates with the ultimate goal of convincing them that the ‘moneyball’ strategy to general managing in professional baseball should be used by every MLB team. As of right now, I am assuming the class does not have any opinion on the topic and is open to hearing my argument. I will be delivering this argument as a speech to the class.

Imagine this: The year is 2002, you are an Oakland Athletics fan, and you have just found out that your favorite players on the team, including Johnny Damon and Jason Giambi, have been lost to other teams due to free agency. You might think that everything will be all right and that new star players will be added, but then you find out the team only has a payroll of \$44 million to spend on players—the third worst in all of Major League Baseball (“MLB Team Payrolls”). This was the situation that Oakland’s General Manager Billy Beane was faced with. After reaching the playoffs the year before, he found that his team seemed to be falling apart. His solution: moneyball.

When hearing the term ‘moneyball,’ you might only recall the name recognition of the film featuring Brad Pitt and Jonah Hill, but not much further knowledge. The term was coined by Michael Lewis whose book was the inspiration for the film. It comes from Beane’s strategy of general managing the Oakland Athletics based on placing a value on less popular statistics of players’ contributions to winning with the idea that these players can come cheaper than overvalued star players. This use of statistics to measure nearly every part of the game is known

as sabermetric analysis. Some particular statistics that Beane focused on were on-base and slugging percentages, as he considered them better representations of offensive ability since baserunners and power lead to run production. This is in contrast to the statistics that are traditionally used to measure a player's value which are the more flashy ones, including runs batted in, batting average, and homeruns.

So you might be thinking: what could anyone possibly find wrong with this? This strategy seems to save money without sacrificing wins. However, when Beane began implementing this tactic, he was essentially changing the way the game of baseball had been played for an entire century before this. Players' values came from long-term and varied scouting reports, which focused on parts of the game that statistics cannot describe. Such parts include technique, discipline, maturity, and so on that are considered key to projecting the future success of a player. So Beane's idea of using pure sabermetric analysis, especially unpopular and often-neglected statistics, to rebuild a team into a playoff contender appeared foolish to the entire baseball world.

Despite the flak he received and what seemed to be an imminent path to getting fired, Beane stuck to this moneyball strategy. The Athletics's had a slow start to the season and many components of the organization did not cooperate, especially the manager Art Howe who did not use players in accordance with Beane's statistics. For instance, Beane wanted Howe to play Scott Hatteberg, an older, formerly injured player, at first base (a position he was not used to) over a young prospect with high potential but a poor fit with the team. Once the A's started being managed in the way it was designed, the team moved from last to first in an incredible fashion, even setting the record for longest winning streak in the American League that remains until this day ("Rare Feats"). Finally, this moneyball strategy seemed to be receiving positive attention.

Sure, the A's lost in the first round of the playoffs that year and have not had all that much success in the playoffs since, but it is with the adversity that they have been faced with that playing moneyball has had its accomplishments. From 2002 to 2006, the A's were perennial playoff contenders, proving competitive with teams like the New York Yankees who had a payroll of nearly \$126 million in 2002, three times the amount that the A's had ("MLB Team Payrolls"). After seeing the impact this technique has had, many teams, including the Mets, Cardinals, Red Sox, and more, have hired full-time sabermetric analysts to their front offices within a couple years. The Red Sox 2004 World Series Championship was even credited to this moneyball strategy. By now, nearly every team and even broadcasting stations have and use sabermetric analysis.

Nowadays, this moneyball method is not simply just compiling all of the analytical statistics as every team does, but how each team uses them. We see the wealthy teams today, such as the Dodgers and (as always) the Yankees, still spending nearly \$300 million on players per year despite this influx of data. Perhaps it is simply because they have the money to spend; however, that just seems foolish from a business perspective. Some teams who are fully embracing this moneyball strategy might appear to be struggling, but that comes with this rebuilding phase. Putting this new data to good use is something that cannot be ignored to be successful in this age of the game, and those who don't will fall behind and likely literally pay for it.

This might not seem like a big deal as baseball is still baseball. However, this ideology of using sabermetrics changes the way the game is presented and even played. With every play—rather, with every pitch—seemingly irrelevant statistics appear on screen regarding the pitcher, batter, someone in the field, on base, or even all of the above. This might seem like useless

clutter, but each and every statistic can help the watcher understand the decisions being made by the manager throughout the course of a game. For instance, you might be watching the end of a game and watch a manager use three different pitchers to try and get only three outs. This happens quite often nowadays as certain match-ups between pitchers and batters are not confined simply to which is the better player. Instead, a certain pitcher might throw a particular pitch, such as a slider, that a batter coming up has had history struggling with. Or perhaps a lefty-lefty match-up is more likely to get the batter out if the pitcher throws sidearm. Before such statistics were meticulously recorded and readily accessible to teams, such pitching changes could not be orchestrated and could result in more losses.

Like when Beane first started using this method, a major protest still is that this focus on statistics disparages scouting reports and other traditional methods of how a player actually plays. This is certainly true and there really is no replacement for scouts. Yet, that is not what I am calling for. The idea of moneyball is more about placing a greater value on the statistics that lead to wins and not the obvious statistics that will make a player expensive. Unfortunately for money-saving purposes and for that very reason, on-base percentage was no longer financially undervalued by 2004 (“Economics of Moneyball”). However, teams continue to pay what seem to be unreasonable amounts of money for star players who do not necessarily lead to more wins.

One might argue that a player is worth the overvaluation of skill for the sake of overall money that the player attracts. When in any city, not even in only New York, think of how many Jeter jerseys or shirts that can be seen. Certain names can bring in a lot more value to a team than just helping win games. Yet, what if that player does not really contribute to wins? This has been a trending issue amongst star players who sign long-term contracts and do not follow up with the same kind of production. Take Mark Teixeira of the Yankees for example. From signing

in 2008 through 2012, his on-base and slugging percentages, as well as his batting average have steadily fallen each and every year (“15 Worst Contracts”). Further, he has had an increasing amount of trouble with injury, making him not that great of an asset to the team over the course of an eight-year \$160 million contract (“Mark Teixeira”). Teixeira is certainly not the only one to decline in performance with long-term contracts as Albert Pujols, Josh Hamilton, Alex Rodriguez, and more have all been accused. And yet we still see teams signing players to enormous contracts, such as Giancarlo Stanton’s monster contract with the Marlins of \$325 million over thirteen years (“Giancarlo Stanton”). It seems as though teams pay this type of money simply because if they don’t, someone else will.

Perhaps the universal use of the moneyball strategy can eliminate this need for colossal contracts. By focusing on actual contributions to wins, players can be rewarded for the meaningful statistics year by year. Even in the short period of time that I have been watching baseball, players who are in long-term contracts often spend more time injured on the disabled list, possibly the least productive place a player can be. Now is this a coincidence? It certainly makes sense that a team who has invested a lot of money in a player for a long period of time wants to take every precaution in protecting the long-term well-being of the player. But it also leads to the point that players at the end of these long contracts are also getting to be at an old age when injuries are more common and performance has declined. When enacting this moneyball technique, teams are not likely to sign players to these ridiculously long contracts because the statistics just do not pan out to be worth the price. As a result, players will have to prove themselves nearly every year to earn their higher values.

It can be argued that using the moneyball technique creates a type of baseball is less exciting to watch. Sure, players who can hit bombs and make diving plays are certainly

entertaining. But it really comes down to priorities with what someone values. Would you rather watch a season-long team effort that results in a World Series championship or one player hit forty homeruns while the team loses ninety games? As much as it is exciting to watch a talented player showcase his skills, if the team cannot win, the show inevitably loses some appeal. Regardless, Major League Baseball is full of extremely talented athletes who are all capable of putting on a show at some point, so it is not unlikely that a team built on statistics to win, despite being at a cheaper cost, can put on a similar show. Also, as with my point I stated earlier in that players will have to prove themselves, greater efforts will generally have to be shown for them to earn the star-level salaries they strive for.

However, there are teams today that still believe that the more money spent on players leads to more wins. For instance, when the San Francisco Giants won the World Series in 2012, one of the senior advisers of the team told a New Post Writer “we’ve shown Moneyball is a bunch of garbage” since they used a more traditional approach to the game and paid for star players to fill their roster (Rosenthal). Yet, the Giants were also playing moneyball to an extent that was clearly being ignored. While they still made it clear they relied heavily on their scouts, they too were employing young statisticians to give moneyball-esque analyses. Sabean, the manager of the Giants, even noted the contributions of number-crunching executives in the scheme of winning the World Series (Rosenthal). So while teams might be thinking they are above this moneyball game, they are using it in some way. Just imagine if the Giants had placed a higher value on moneyball that year.

Now you might be thinking: what does this have to do with me? Well, I have been a fan of the New York Mets—yes, the Mets and not the Yankees—for as long as I can remember. If you don’t know, the Mets have not had a history of winning, but actually quite the opposite.

During the early 2000's the Mets were amongst the worst of teams record-wise, but remained one of the teams with the highest payrolls. For example, in 2003, the Mets were only second to the Yankees in payroll but ended up only winning sixty-five games that year, which is atrocious ("2003 New York Mets"). Since then, the Mets have been working in more of this moneyball ideology and have trimmed payroll comparatively to fall to the bottom half of teams in terms of payroll. This year, they have finally built an entire roster around a team that has fully embraced this moneyball tactic and have started this 2015 season by tying a franchise record eleven straight wins. The last time the Mets did that was back in 1986 when they won their last World Series (Bowman).

Thus, this moneyball mentality has finally sparked something special in the team I have watched struggle nearly every year until now. For once, being a Met fan doesn't mean being the punch line of a joke or hearing snickers upon telling others this fact about me. For once, sticking it out through a long rough patch will prove to be worth it instead of being a fair-weather fan. It is because of this change in strategy that I can be thankful for the change in the Mets. Even though not spending big money on players we have had chances at seemed to be frustrating at the time, we have grown players at a fraction of the cost and are producing wins like a playoff contender.

As just a small class with no power to actually change this, we can still act. We can choose to look at America's pastime in a new light than we had before. For those of you who aren't fans of baseball, you can still look at it from an economics perspective as all of us here can at least appreciate that. Baseball is unlike any other sport. One star player cannot change the course of an entire team, such as in basketball or soccer, so it requires an entire team to win a World Series championship. If we, as a fan base or simply as a people involved in the trade,

show our support to make the game more economically feasible, maybe players can see a more true value for themselves based on team contributions and not for self-centered play.

Thank you for listening, and let's not play *ball*. Let's play *moneyball*!



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