

THE STORY OF AUTOMATIC JACK. After finding no other clubs interested in signing him in 1986, free-agent pitcher and 20-game winner Jack Morris agrees to salary arbitration with the Tigers while at the same time accusing the ML owners of collusion against free agents. Morris had offered to sign a one-year contract, with salary to be determined by an arbitrator, with either the Yankees, Angels, Twins, or Phillies, but was turned down by all 4.

Year	Ag	Tm	Lg	W	L	G	GS	CG	SHO	IP	H	R	ER	HR	BB	SO	ERA
1977	22	DET	AL	1	1	7	6	1	0	45.7	38	20	19	4	23	28	3.74
1978	23	DET	AL	3	5	28	7	0	0	106	107	57	51	8	49	48	4.33
1979	24	DET	AL	17	7	27	27	9	1	197.7	179	76	72	19	59	113	3.28
1980	25	DET	AL	16	15	36	36	11	2	250	252	125	116	20	87	112	4.18
1981	26	DET	AL	14	7	25	25	15	1	198	153	69	67	14	78	97	3.05
1982	27	DET	AL	17	16	37	37	17	3	266.3	247	131	120	37	96	135	4.06
1983	28	DET	AL	20	13	37	37	20	1	293.7	257	117	109	30	83	232	3.34
1984	29	DET	AL	19	11	35	35	9	1	240.3	221	108	96	20	87	148	3.6
1985	30	DET	AL	16	11	35	35	13	4	257	212	102	95	21	110	191	3.33
1986	31	DET	AL	21	8	35	35	15	6	267	229	105	97	40	82	223	3.27
1987	32	DET	AL	18	11	34	34	13	0	266	227	111	100	39	93	208	3.38
1988	33	DET	AL	15	13	34	34	10	2	235	225	115	103	20	83	168	3.94
1989	34	DET	AL	6	14	24	24	10	0	170.3	189	102	92	23	59	115	4.86
1990	35	DET	AL	15	18	36	36	11	3	249.7	231	144	125	26	97	162	4.51
1991	36	MIN	AL	18	12	35	35	10	2	246.7	226	107	94	18	92	163	3.43
1992	37	TOR	AL	21	6	34	34	6	1	240.7	222	114	108	18	80	132	4.04
1993	38	TOR	AL	7	12	27	27	4	1	152.7	189	116	105	18	65	103	6.19
1994	39	CLE	AL	10	6	23	23	1	0	141.3	163	96	88	14	67	100	5.6

JACK MORRIS

POST-SEASON PITCHING

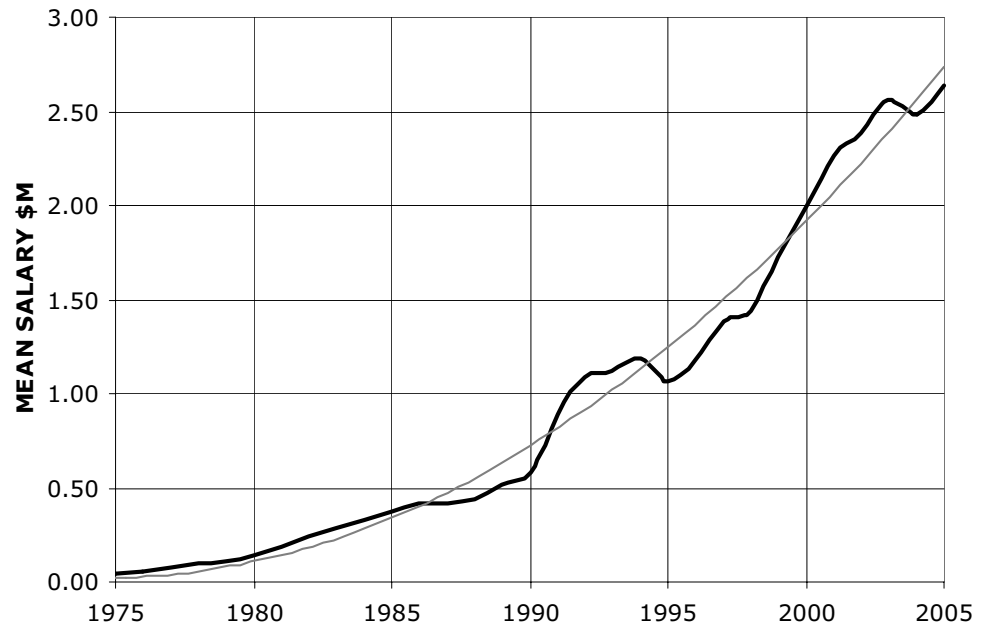
Year	Round	TEAM	Opp	W/L	G	GS	ERA	W	L	CG	IP	H	ER	BB	SO	Jack Morris Salaries			
1984	ALCS	DET	KCR	W	1	1	1.29	1	0	0	7.0	5	1	1	4	1985	DET	\$885,000	
	WS	DET	SDP	W	2	2	2.00	2	0	2	18.0	13	4	3	13	1986	DET*	\$875,000	
1987	ALCS	DET	MIN	L	1	1	6.75	0	1	1	8.0	6	6	3	7	1987	DET*	\$1,850,000	
1991	ALCS	MIN	TOR	W	2	2	4.05	2	0	0	13.3	17	6	1	7	1988	DET	\$1,988,000	
	WS	MIN	ATL	W	3	3	1.17	2	0	1	23.0	18	3	9	15	1989	DET	\$1,989,000	
1992	ALCS	TOR	OAK	W	2	2	6.57	0	1	1	12.3	11	9	9	6	1990	DET*	\$2,100,000	
	WS	TOR	ATL	W	2	2	8.44	0	2	0	10.7	13	10	6	12	1991	MIN*	\$3,700,000	
7 POST SEASON SERIES					6W-1L	13	13	3.80	7	4	5	92.3	83	39	32	64	1992	TOR	\$4,450,000
																	1993	TOR**	\$5,425,000

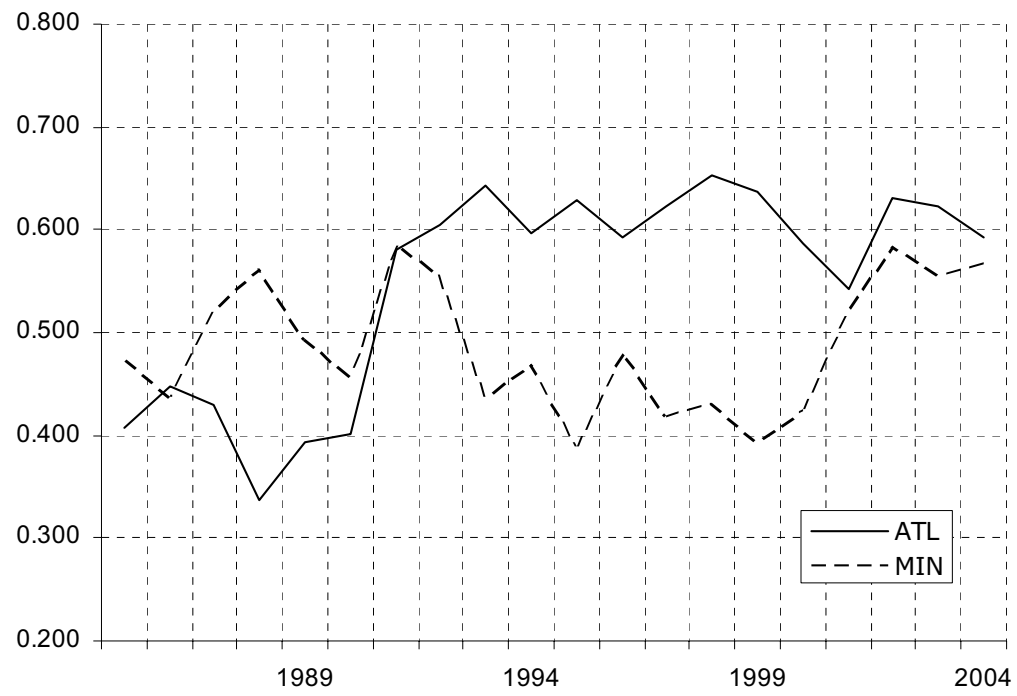
* Free agent **Released

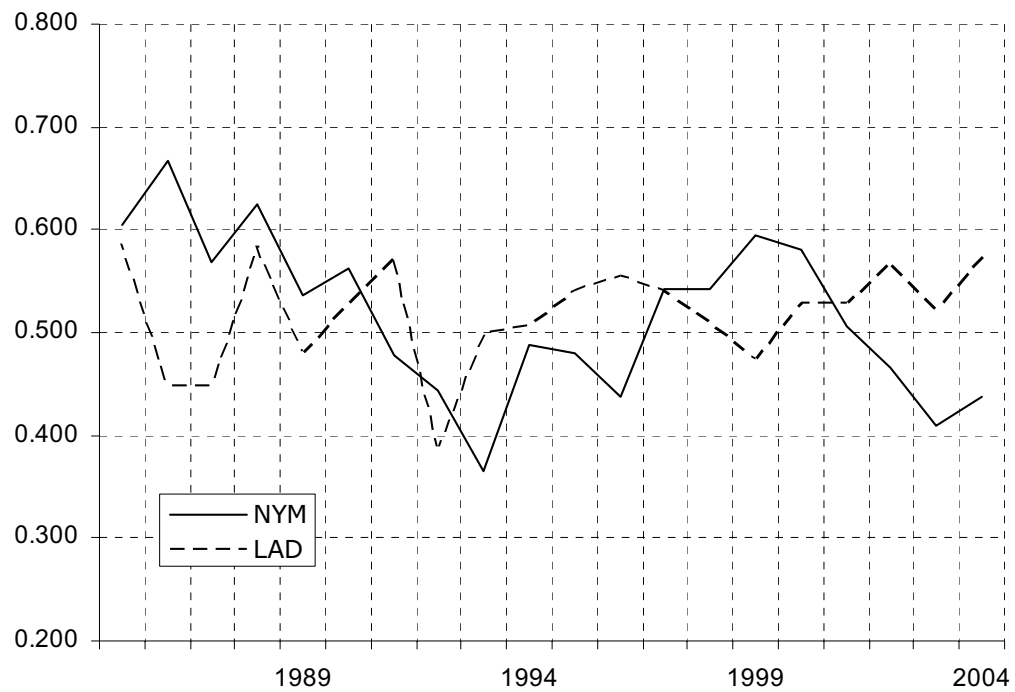
AVERAGE MLB SALARY

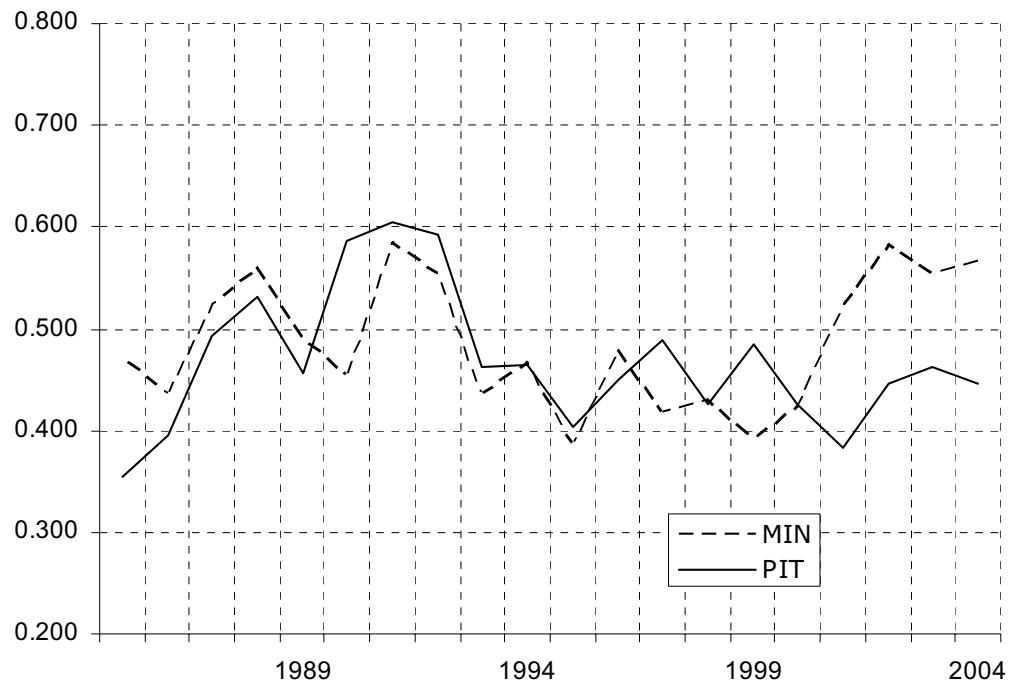
YEAR	SALARY	CHANGE
1971	31,543	7.64%
1972	34,092	8.08%
1973	36,566	7.26%
1974	40,839	11.69%
1975	44,676	9.40%
1976	51,501	15.28%
1977	76,066	47.70%
1978	99,876	31.30%
1979	113,558	13.70%
1980	143,756	26.59%
1981	185,651	29.14%
1982	241,497	30.08%
1983	289,194	19.75%
1984	329,408	13.91%
1985	371,571	12.80%
1986	412,520	11.02%
1987	412,454	-0.02%
1988	438,729	6.37%
1989	512,804	16.88%
1990	578,930	12.89%
1991	891,188	53.94%
1992	1,084,408	21.68%
1993	1,120,254	3.31%
1994	1,188,679	6.11%
1995	1,071,029	-9.90%
1996	1,176,967	9.89%
1997	1,383,578	17.55%
1998	1,441,406	4.18%
1999	1,720,050	19.33%
2000	1,998,034	16.16%
2001	2,264,403	13.33%
2002	2,383,235	5.25%
2003	2,555,476	7.23%
2004	2,486,609	-2.69%
2005	2,632,655	5.87%

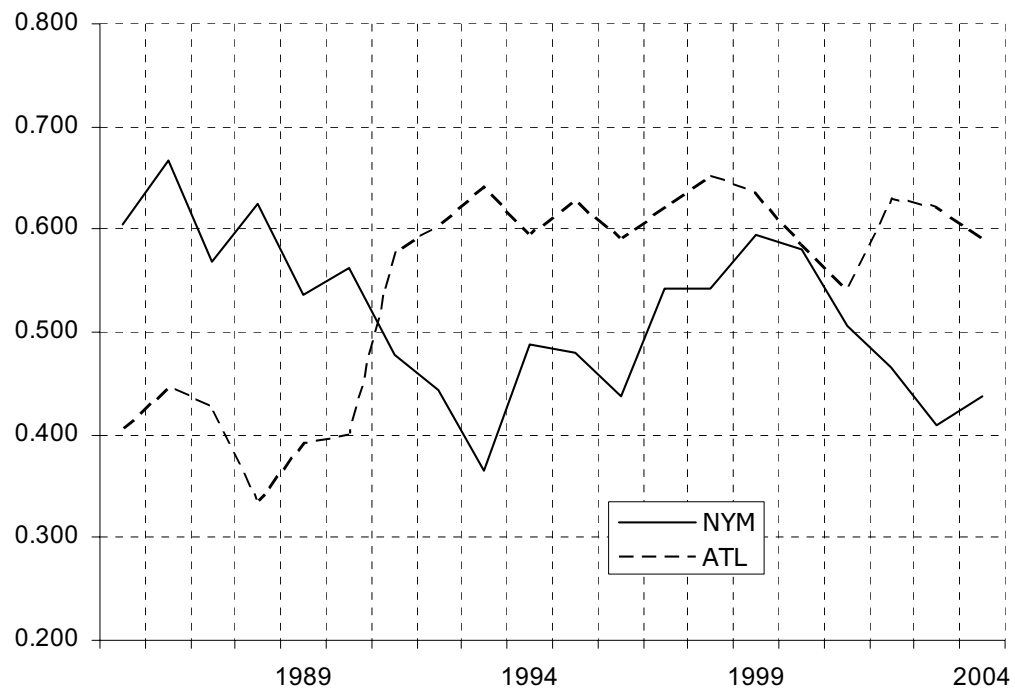
AVERAGE MLB SALARY

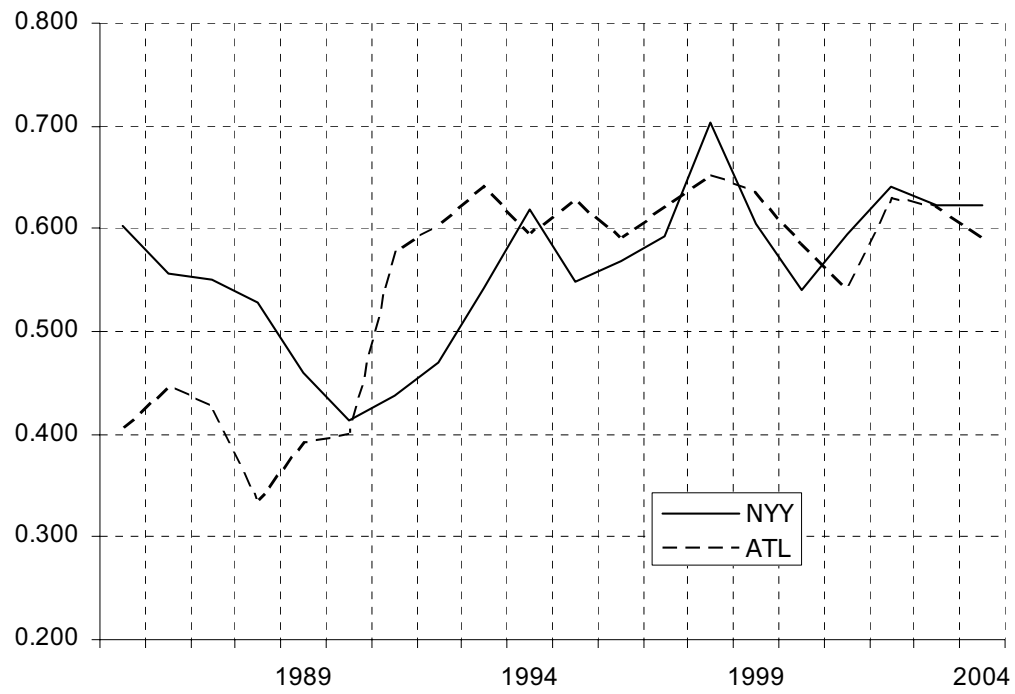




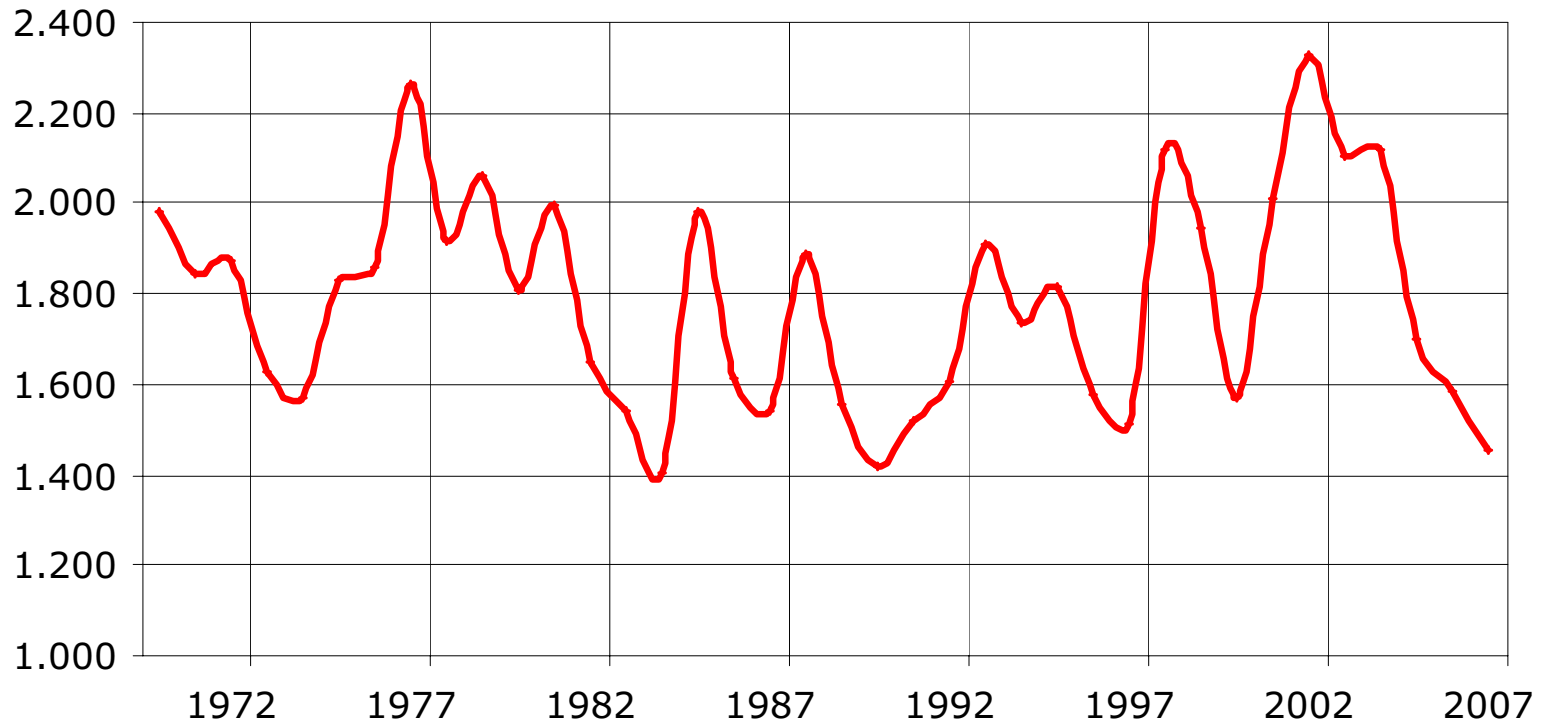








MLB COMPETITIVE BALANCE INDEX



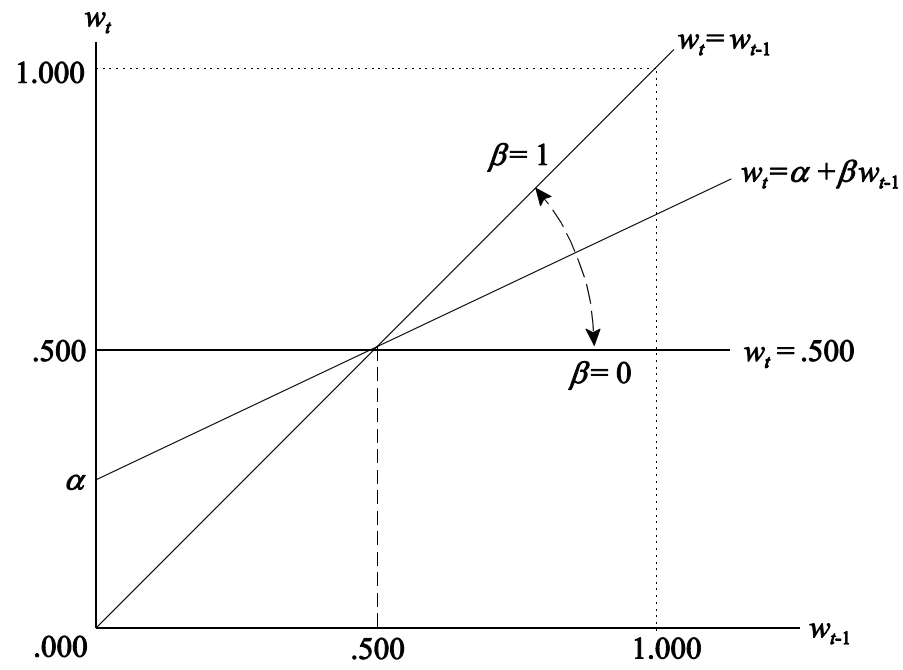


Figure 2. Random Walk

Table 5. Auto-regressive Beta Coefficients in Free Agency Era

Year	MLB	NFL	NBA	NHL	EPL
1976	.683	.519	.360*	.923	.301*
1977	.601	.668	.190*	.776	.251*
1978	.593	.450	.536	.885	.342*
1979	.694	.681	.297*	.702	.894
1980	.501	.354*	.672	.617	.464
1981	.738 ^x	.044*	.650	.777	.715
1982	.210 ^{x*}	.388 ^{x*}	.574	.489	.533
1983	.487	.390 ^x	.715	.769	.414
1984	.117*	.627	.545	.820	.884
1985	.685	.629	.791	.578	.780
1986	.286*	.688	.877	.706	.927
1987	.263*	.253 ^{x*}	.754	.381	.421
1988	.543	.405 ^x	.762	.779	.682
1989	.267*	.462	.518	.672	.458
1990	.202*	.472	.671	.465	.493*
1991	.187*	.433	.739	.685	.578*
1992	.202*	.305*	.692	.322*	.530
1993	.050*	.400	.745	.656	.201*
1994	.415 ^x	.421	.909	.433	.928
1995	.360 ^{x*}	.358	.650	.676 ^x	.702
1996	.505 ^x	.535	.711	.819 ^x	.676
1997	.335*	.349*	.757	.294	.507
1998	.454*	.594	.657	.612	.582
1999	.537	-.009*	.472 ^x	.649	.962
2000	.376	.380	.769 ^x	.651	.907
2001	.652	.195*	.814	.749	.766
2002	.767	.302	.526	.518	.929
2003	.695	.215*	.797	.482	.706
2004	.411	.243*	.488	.561	.849
2005	.530		.286*	... ^x	.888

* Insignificant at .05; ^x Strike seasons; NBA, NHL and EPL are listed in year that season ends.

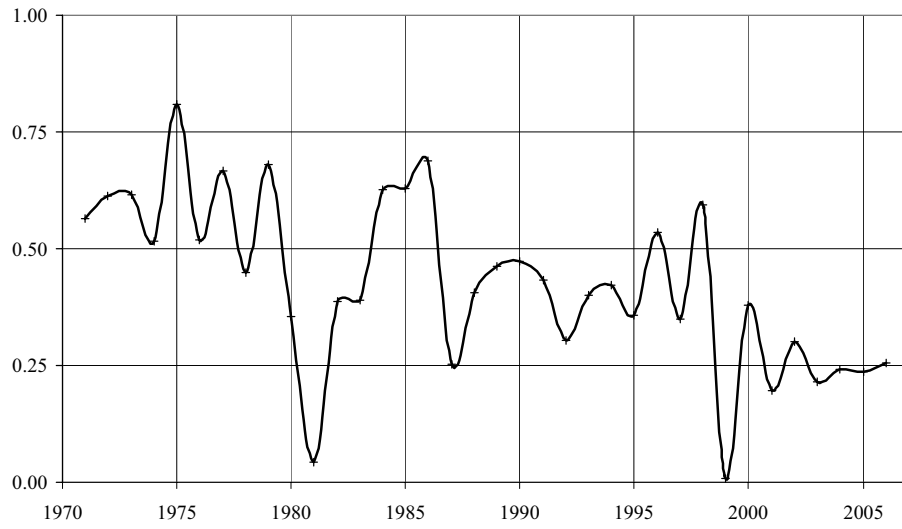


Figure 4. National Football League

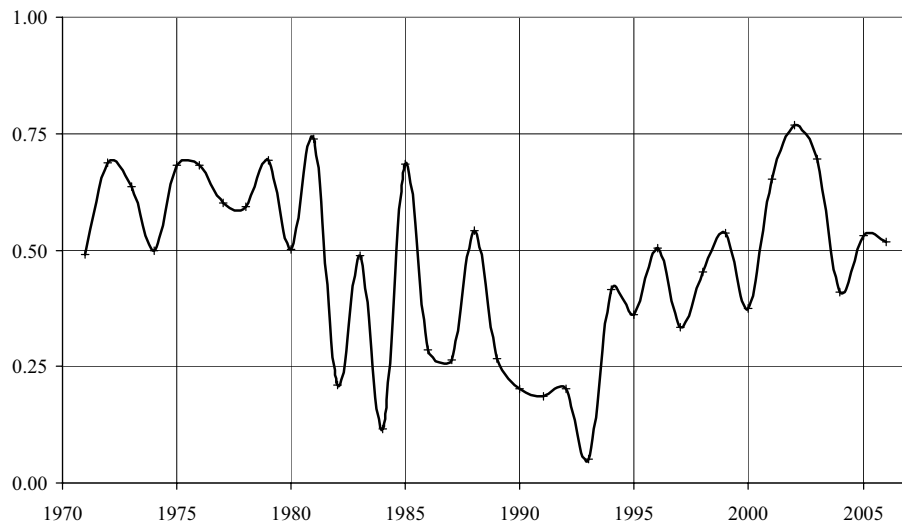


Figure 5. Major League Baseball

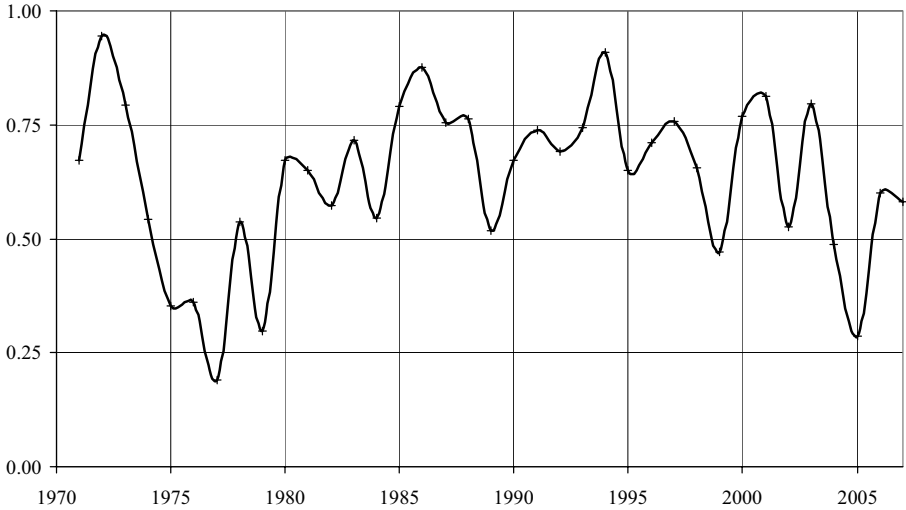


Figure 6. National Basketball Association

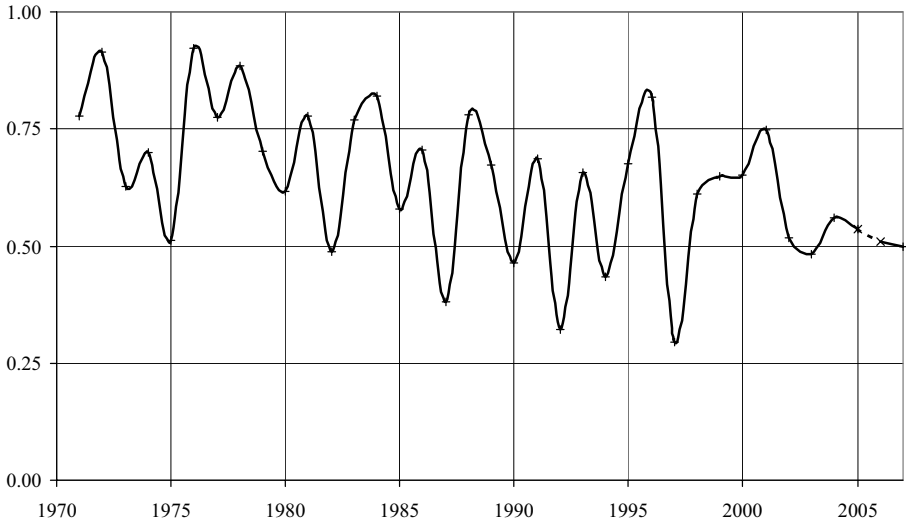


Figure 7. National Hockey League

MAJOR LEAGUE BASEBALL SELECTED PLAYER CONTRACTS

ALEX RODRIGUEZ: \$252M/10yrs 2001-10

Year	Club	Salary	Bonus \$10M	Arbitration
2010	New York Yankees	27,000,000		
2009	New York Yankees	27,000,000		
2008	New York Yankees	27,000,000		
2007	New York Yankees	27,000,000		
2006	New York Yankees	25,000,000		
2005	New York Yankees	25,000,000	2,000,000	
2004	New York Yankees*	21,000,000	2,000,000	
2003	Texas Rangers	21,000,000	2,000,000	
2002	Texas Rangers	21,000,000	2,000,000	
2001	Texas Rangers	21,000,000	2,000,000	
2000	Seattle Mariners	4,362,500		
1999	Seattle Mariners	3,112,500		
1998	Seattle Mariners	2,112,500		
1997	Seattle Mariners	1,062,500		
1996	Seattle Mariners	442,334		
1995	Seattle Mariners	442,333		
1994	Seattle Mariners	442,333		

DEREK JETER: \$189M/10yrs 2001-10

Year	Club	Salary	Bonus \$16M	Arbitration
2010	New York Yankees	21,000,000		
2009	New York Yankees	20,000,000		
2008	New York Yankees	20,000,000	2,000,000	
2007	New York Yankees	20,000,000	2,000,000	
2006	New York Yankees	19,000,000	2,000,000	
2005	New York Yankees	18,000,000	2,000,000	
2004	New York Yankees	17,000,000	2,000,000	
2003	New York Yankees	14,000,000	2,000,000	
2002	New York Yankees	13,000,000	2,000,000	
2001	New York Yankees	11,000,000	2,000,000	
2000	New York Yankees	10,000,000		S: \$9.5M-10.5M
1999	New York Yankees	5,000,000		W: \$3.2M-5M
1998	New York Yankees	750,000		
1997	New York Yankees	550,000		
1996	New York Yankees	130,000		

CARLOS BELTRAN: \$119M/7yrs 2005-11

Year	Club	Salary	Bonus \$11M	Arbitration
2011	New York Mets	18,500,000		
2010	New York Mets	18,500,000		
2009	New York Mets	18,500,000		
2008	New York Mets	18,500,000		
2007	New York Mets	12,000,000	2,000,000	
2006	New York Mets	12,000,000	2,000,000	
2005	New York Mets	10,000,000	7,000,000	
2004	Kansas City Royals	9,000,000		S:
2003	Kansas City Royals	6,000,000		L: \$6M-\$6.95M
2002	Kansas City Royals	3,500,000		S:
2001	Kansas City Royals	425,000		
2000	Kansas City Royals	350,000		
1999	Kansas City Royals	200,000		

JASON GIAMBI: \$120M/7yrs 2002-08

Year	Club	Salary	Bonus \$17M	Arbitration
2009	New York Yankees**	22,000,000		
2008	New York Yankees	21,000,000		
2007	New York Yankees	21,000,000	500,000	
2006	New York Yankees	18,000,000	1,000,000	
2005	New York Yankees	11,000,000	4,500,000	
2004	New York Yankees	10,000,000	4,000,000	
2003	New York Yankees	9,000,000	4,000,000	
2002	New York Yankees	8,000,000	3,000,000	
2001	Oakland Athletics	4,000,000		
2000	Oakland Athletics	3,100,000		
1999	Oakland Athletics	2,200,000		
1998	Oakland Athletics	315,000		
1997	Oakland Athletics	205,000		
1996	Oakland Athletics	200,000		

*Texas pays remaining \$4 million bonus and \$67 million of A-Rod's remaining \$172 million salary 2004-10

** Club buyout option of \$5 million in 2009