Detroit Tigers owner Mike Illtich spent money like a drunken sailor this offseason. The Tigers couldn't beat the Indians last season with a payroll that was $34 million higher, so perhaps his thinking is that his Tigers can get it done this year with a payroll that is not almost $60 million more. In his latest, Gary examines the differing strategies of the two AL Central heavyweights and talks about the fan perception of team payroll totals.

Call it a case of Cleveland envy. How else to explain the headline in Wednesday's sports section of the *USA Today* saying that the Detroit Tigers are basically in a dead heat with the New York Mets for the second highest payroll in baseball?

Apparently the reality of coming up short against the Cleveland Indians last season in the only place that matters, the standings, was enough to send Tigers owner Mike Illitch back to his calculator and his bank book. The Tigers couldn't beat the Indians last season with a payroll that was $34 million higher, so perhaps his thinking is that his Tigers can get it done this year with a payroll that is not almost $60 million more.

It's not as if Detroit is enjoying an economic boom that is somehow eluding the rest of the country. If anything, the Detroit area is being hit harder than most. According to the Bureau of Labor Statistics, the Detroit metro area had the highest unemployment rate in the country in February at 7.7%. The Big Three auto makers continue to bleed money like a room full of hemophiliacs with a knife cuts. The foreclosure crisis hasn't missed Detroit. In short, nothing about the Detroit area economy looks positive for the foreseeable future.

Yet there the Tigers are spending like Paris Hilton in a Louis Vuitton boutique, hell bent on winning a pennant whatever the cost. According to the analysis by *USA Today*, the Tigers 2008 payroll, which stands at $137.7 million, is but a mere $100,000 behind the Mets. The Yankees, of course, dominate at well over $200 million.

The finances of the Tigers aren't exactly open for public consumption so it's somewhat hard to know what extent Illitch may be dipping into his personal fortune in order to fund this project. But it's fair to presume that he's playing with more than just the house money. At an average ticket price in the mid $20 range in Detroit and an anticipated attendance of around 3 million for the season, the Tigers can't make payroll on ticket prices alone. Luxury boxes, concessions and local broadcast rights fees figure into the mix but it still hard to fathom that those other revenue streams can completely make up the difference.

Thus while Illitch's view on what it takes to get to the Promised Land seems rather obvious, it's an economic model that not many other teams are able or willing to follow, certainly not the Indians. Wherever one comes out on the issue of whether or not an owner has an obligation to spend some of his own money to keep pace each year, it is at least clear that the Indians' owners, Larry and Paul Dolan, like many others don't view the quest for a World Series ring as necessarily compelling that sort of outcome. That's not a criticism, just a fact.

Though that is always going to be an issue with a certain segment of the fan base in Cleveland and predates the Dolans, the one issue that really was grinding at many Cleveland fans was the Dolans' acknowledgement that more money ultimately would be needed to get the Indians over the hump and that they would spend what it took to make that happen when the time was right. To many fans, the time never seems right.

As evidence, there was the surprising 2005 season where a final week collapse kept the Indians out of the playoffs. The Indians seemed on the verge but instead dumped payroll in 2006, angering both players and fans who thought the time

certainly seemed right. But if you're going to ding the Dolans for that, which is fair, you also need to acknowledge they slowly started to turn it around by signing a variety of its players to long term deals. Not all of these investments have yet paid off, but building from within is a legitimate business plan.

In furtherance of that plan from last season to this, the Dolans increased the payroll from $61.6 million to nearly $79 million, an increase of nearly 30%. The problem though is that the Tigers increased their payroll by over 40%. The Indians already were struggling to keep pace with their rivals. The gap just got bigger.

While you're at it, you might as well throw in the other big spender in the AL Central, the Chicago White Sox. For 2008, the White Sox increased payroll "only" around 20%. Sure, that means that the Indians closed the payroll gap on the White Sox a bit, but it's a rather ridiculous point of reference. In 2007, the White Sox payroll was over $108 million and this season it's well over $121 million, meaning that the Indians trail still the White Sox in payroll by the equivalent of two Derek Jeters. They trail the Tigers by about three Manny Ramirezes.

The question that remains unanswered by either of these situations or, more generally, the massive payrolls disparities that exist in baseball, is how this ultimately will play itself out on the field. In other words, how meaningful is the payroll gap?

On pure talent, the Tigers and the Indians seem pretty evenly matched and both ahead of the White Sox. And the impending departure of C.C. Sabathia notwithstanding, the Indians seem well positioned to compete favorably with both teams on talent for the next few years as well. In that context, the payroll disparity between these teams seems rather irrelevant. In fact, a case can be made if the Tigers chase of the Indians can't be overcome purely by spending, then Illitch is either a fool or closer to implementing a dramatic payroll cut sooner than most Tigers fans might realize. Given the recent commitment he made to Miguel

Cabrera, the former seems more the case than the latter.

But even if it's somewhat irrelevant as between these three teams, that doesn't mean payroll disparity is completely irrelevant in baseball. The remaining two teams in the AL Central, Minnesota and Kansas City, actually cut payroll in 2008. Last season, both the Twins and the Royals had higher payrolls than Cleveland. This year, each is some $20 million behind Cleveland and some $80 million behind Detroit and no one gives either the Twins or the Royals much of a chance to compete for a divisional title. On the far end of the scale lives the Florida Marlins, whose team payroll is less than what the Yankees pay Alex Rodriguez. You could get better odds on Ralph Nader winning the presidency than you could get on Florida winning the World Series.

There is always going to be the debate over just how big a difference payroll ultimately makes. Every year, a smartly run lower budget team finds its way into the playoff mix while a corresponding high budget team craps all over itself, so the correlation between payrolls and victories isn't perfect. But the trends between a high payroll or at least a consistently growing payroll and sustained success are unmistakable. Like the larger economy, in baseball the rich just get richer while the poor are left with cake.

For now, this may not be as much of a concern in Cleveland as it might be elsewhere. But that doesn't mean it's not a concern, one that ultimately it impacts every fan. Unfortunately, until baseball as a whole begins to feel the same economic pinch that its fans are feeling every time they head to the gas station or the grocery store, don't look for it to change. But if baseball doesn't start doing a better job of policing itself, this may come to pass much sooner and hit much harder than the owners ever thought possible.