Paulie C has been sitting around the house for the holidays waiting for the call to action on the birth of his second child. I got one of those e-mails I love getting from him. It said "Been working on a 4,000 word thesis on the current state of baseball ... what is wrong and how it could possibly be fixed". Anyone that has been reading Paulie these last three years on the site knows why that e-mail is exciting to me. And anyone that watched Cliff Lee and C.C. Sabathia face off in game one of the World Series as members of the Phillies and Yankees knows how frustrating the current economic state of the game is for fans like us in cities like Cleveland.

As the calendar turns and all eyes are either cast in the past or into the future, the events of 2009 continue to fester for me in terms of how the lessons of 2009 don't necessarily point to a clearer future in 2010 and beyond in MLB. When Game 1 of the World Series pitted two former teammates, both former Cy Young Award winners, neither of them wearing the uniform that they donned in their Cy Young Award winning season (and neither of them having reached their 31st birthday), the ugliness that has been lurking under the surface in terms of MLB and the disparity created in the current structure reared not just an ugly head, it revealed itself for all to see on a cold October night in the Bronx.

While fans in Cleveland were left to take the body blows from the national media (prodded on by FOX's graphic titled "At Least You Have LeBron while showing both CC and CP Lee in their Cleveland uniforms), it was hard not to wonder if this seemingly chance occurrence was simply the appetizer for what is to come as MLB improbably gets less balanced and more weighted towards teams with bigger markets, with larger margins for error, and ultimately larger payrolls. The CC-Lee matchup brutally exposed the problems within MLB, where certain teams not only have to continue to be adept at developing young,

cost-controlled players, but now have to hope that those players develop within the same timeframe allowing contention, if albeit brief contention. What prevents Josh Johnson taking on Ricky Nolasco in the Fall Classic (not involving the Marlins) or even a Tim Lincecum v. Matt Cain match-up in October (with those still playing for the Giants sitting at home) at some point in the future?

Gone are the days when prudent decisions made in baseball allowed teams to compete based upon their own decisions, and growing more obvious is the notion that teams have to compete with a laundry list of factors coming before anything even related to baseball. Much of the blame has been placed at the feet of the large market teams and on the shoulders of the Bud Selig, who has presided over the sordid state of affairs as the disparity among MLB teams to be growing instead of shrinking.

With that in mind, let's go to the interview posted at MLB.com with Selig regarding how the league has weathered the economic storm of the past year and what kind of state he sees baseball in today compared to how he took it over:

"On the field, it was fabulous. A great year, beginning to end. ***We had more competitive balance.***
It was just a terrific year, under the worst circumstances since the Great Depression. That's the point you have to keep in mind."

--snip--

Selig's tenure has been characterized by economic reforms such as revenue sharing and the luxury tax that are intended to improve competitive balance. With the wide variations among franchises' ability to generate revenue, and without a salary cap, baseball's economic playing field cannot be completely level. But the movement toward greater competitive balance has changed the competitive character of the game.

--snip--

"But ***the economic reforms have been remarkable. When you think of what baseball's economic system was in 1992 and what it is today, nobody could have ever believed that we would have this kind of revenue sharing and the luxury tax.*** *People talk about the system, it needs this and that, and I don't deny that it needs some work. But I think of the pain that we went*

through in the 1990s and the evolution since then, it's sort of stunning. I'm proud of the change."

Truthfully, the most relevant sentences have been bolded by me, but Selig speaks extensively of the changes that have been made to the economic structure of the game from the time he took over in 1992 to where it sits today in the article and, since he brought up the comparison, let's take a look at MLB Payrolls by team in 1992 and in the just-completed 2009 season:

MLB Payrolls - 1992

1) Mets - $44,352,002
2) Dodgers - $43,788,166
3) Blue Jays - $43,663,666
4) Red Sox - $42,203,584
5) Athletics - $39,957,834
6) Yankees - $35,966,834
7) Reds - $35,203,999
8) Royals - $33,643,834
9) Angels - $33,529,854
10) Giants - $33,126,168
11) Braves - $32,975,333
12) Pirates - $32,589,167
13) Brewers - $30,253,668
14) Rangers - $29,740,667
15) Cubs - $29,060,833
16) Tigers - $28,413,500
17) White Sox - $28,413,500
18) Padres - $27,584,167
19) Twins - $27,432,834
20) Cardinals - $26,889,836
21) Phillies - $23,804,834
22) Mariners - $22,483,834
23) Orioles - $20,997,667
24) Expos - $15,869,667
25) Astros - $13,352,000
26) Indians - $8,236,166

For comparison's sake going forward, realize that the median salary in 1992 was

$29,997,188 with 15 of the 26 teams (those below the A's and above the Phillies) spending a number that was either less than 20% above that figure or 20% below that figure. The highest payroll represented a 48% higher payroll than the median and the lowest payroll (the Dick Jacobs-owned Indians, I might add) spent 72% less than the median.

MLB Payrolls - 2009

1) Yankees - $220,024,917
2) Mets - $142,229,759
3) Cubs - $141,632,703
4) Red Sox - $140,454,683
5) Tigers - $139,429,408
6) Phillies - $138,286,499
7) Dodgers - $131,507,197
8) Angels - $121,947,524
9) Astros - $108,059,086
10) White Sox - $105,287,384
11) Cardinals - $102,678,475
12) Mariners - $102,343,617
13) Braves - $100,078,591
14) Giants - $95,202,185
15) Brewers - $90,006,172
16) Rockies - $84,450,797
17) Blue Jays - $84,130,513
18) Royals - $81,917,563
19) Orioles - $79,308,066
20) Rangers - $77,208,810
21) Indians - $77,192,253
22) Diamondbacks - $73,800,852
23) Twins - $73,068,407
24) Reds - $72,693,206
25) Rays - $71,222,532
26) Nationals - $69,321,137
27) Athletics - $61,688,124
28) Pirates - $47,991,132
29) Padres - $43,210,258
30) Marlins - $37,532,482

The median salary in 2009 was $87,228,485 with 15 of the 30 teams (all below the White Sox and above the Nationals) spending a number that was either less than 20% above that figure or 20% below that figure. The highest payroll represented a 252% higher payroll than the median and the lowest payroll was 57% lower than the median.

Is Selig correct in saying that there has been economic reform in the past 17 years?

Absolutely, but the most noticeable change has not come in bringing the payrolls of teams much closer together as the disparity is actually widening. Rather, the big change has come in an absolutely stunning increase in revenue, made obvious by the fact that that median salary has nearly TRIPLED in 17 years. The issue that Selig fails to point out is that the revenue sharing and the luxury tax have not been able to prevent a still-evolving system that sways favor to large markets because of the exponential increase of revenue. In 1992, the Athletics and Reds counted themselves among the top 7 payrolls in MLB and 17 years later, they both find themselves among the bottom 7 payrolls in MLB.

What Selig assisted in creating is an unquestionable money-making machine (and let's not be naïve enough to think that all of these teams aren't making money hand over fist in some fashion), but also one that tilts the scales in favor of the large market teams where a larger population base has more or less equated into a larger payroll.

Prompted by Tim Marchman of SI.com's suggestion that a 3rd team should be added to the NY-NJ area in an attempt to loosen the stranglehold that the Yankees and, to a lesser degree, the Mets have on simply buying the best players (or, more recently, trading for hefty contracts that teams were looking to unload, giving up only fungible parts, easily replaceable by simply paying over slot in future drafts), perhaps it's relevant to examine the size of the markets in MLB and how they relate to 2009 payroll in the system currently in place. Using the Combined Statistical Areas and the Metro politan Statistical Areas (with a little foray into the Great White North), here's a more comprehensive look at population distribution among MLB cities and how many people are tied to each team, using the data from 2008 that takes

into account neighboring cities for a truer sense of an extended metropolitan area's population.

Listed parenthetically is where the teams that find those particular areas their home rank among the 30 MLB teams in 2009 payroll:

NY - 22,154,752 (Yankees #1 payroll, Mets #2 payroll)
LA - 17,786,419 (Dodgers #7 payroll, Angels #8 payroll)
Chicago - 9,793,036 (Cubs #3 payroll, White Sox #10 payroll)
Baltimore/Washington - 8,295,397 (Orioles #19 payroll, Nationals #26 payroll)
Boston - 7,514,759 (Red Sox #4 payroll)
San Francisco/Oakland - 7,354,555 (Giants #14 payroll, Athletics #27 payroll)
Dallas - 6,655,261 (Rangers #20 payroll)
Philadelphia - 6,398,896 (Phillies #6 payroll)
Houston - 5,829,620 (Astros #9 payroll)
Atlanta - 5,729,304 (Braves #13 payroll)
Miami - 5,463,857 (Marlins #30 payroll)
Detroit - 5,354,225 (Tigers #5 payroll)
Toronto - 5,113,149 (Blue Jays #17 payroll)
Phoenix - 4,281,899 (Diamondbacks #22 payroll)
Seattle - 4,087,033 (Mariners #12 payroll)
Minneapolis/St. Paul - 3,562,284 (Twins #23 payroll)
Denver - 3,049,562 (Rockies #16 payroll)
San Diego - 3,208,466 (Padres #29 payroll)
Cleveland - 2,887,492 (Indians #21 payroll)
St. Louis - 2,879,924 (Cardinals #11 payroll)
Tampa/St. Petersburg - 2,733,761 (Rays #25 payroll)
Pittsburgh - 2,441,464 (Pirates #28 payroll)
Cincinnati - 2,198,337 (Reds #24 payroll)
Kansas City - 2,070,544 (Royals #18 payroll)
Milwaukee - 1,748,818 (Brewers #15 payroll)

That would be 7 of the top 10 payrolls coming from 4 of the 5 biggest cities with an MLB team or teams, with the rest of the teams more or less falling in line with their payrolls being tied to the size of the metropolitan area which they cover. Sure, there are the exceptions (Baltimore/Washington with low payrolls at the top end of the population ladder, Milwaukee and St. Louis spending more than their population rank would dictate), but for the most part, the teams existing in larger cities have a built-in competitive advantage over team in mid-sized or smaller

cities based in large part because of the size of their prospective customer base.

The problem with this set-up, in that the rich are able to get richer and the poor are left to attempt to build a better mousetrap to level the playing field, is that it shows no sign of changing. Very few teams have a chance to legitimately contend for the World Series from year to year because of the current system and the current make-up of MLB economics rewards the market of a team instead of the merit of that team.

What's the solution?

Is it really to add another team to the Metro NY area or to Boston in an attempt to defray the base that the Yankees, Mets, and Red Sox draw from? Not even getting into the fact that the Steinbrenners, the Wilpons, and John Henry would cry bloody murder (louder and with more to back it up than Peter Angelos did when the Expos moved to DC), doesn't that really just add another big market team to the mix?

So is the idea just to load up LA, NY, Boston, Dallas, Philly with another team to average these things out? If that's the formula, where does it stop...4 teams in NY and LA, 3 in Chicago and Baltimore/Washington/Northern Virginia or just lumping a whole bunch of teams either into the megalopolis that extends from Southern New Hampshire down to Northern Virginia
and to Chicago, Northern/Southern California, and Texas, since that's where a vast amount of people live?

Rather, wouldn't it be prudent to examine what makes the other pro sports in America able to avoid this disparity and, in turn, make them compelling...to find out how NFL maintains its stranglehold on the sporting interests of American and to find out how the NBA is able to offer a competitive balance based on the wisdom of a teams' personnel decisions and not on the size of an individual team's market?

It's been beaten to death, I know, but the NFL playoffs this year boast Indianapolis, Cincinnati, San Diego, New England, Minnesota, Green Bay, New Orleans, Baltimore, New York, Philadelphia, Dallas, and Arizona and the common thread among all of those teams has nothing to do with the size of Cincinnati, Indianapolis, Green Bay, or Minneapolis as metropolitan areas just as it has nothing to do with the size of New York, Philadelphia, Boston, and Dallas and

their outlying communities. The common thread among all of those teams is that they've succeeded at drafting and developing players, fit them into a successful system, and allowed that system to foster winning to the point that market size or payroll has very little bearing on wins and losses. In the NFL, teams are rewarded for intelligent drafting and development and have the tools in place to keep their home-grown players to allow continuity to reveal the wisdom of their best-laid plans. If a team succeeds, it is because the Front Office made prudent decisions and because the players performed at a level that resulted in consistent winning. On the flip side, if a team fails year in and year out, it is largely because of shortcomings within their organization and not reliant on factors outside of football decisions.

In the NBA, the system is also in place to reward wisdom in player acquisition and development and the procedures are in place to foster that continuity that puts the onus of winning on the Front Office, the coaching staff, and the players as the league makes it easier for teams to retain their stars. The NBA features winning teams that build through smart drafting and player development (witness what the Hawks and Trail Blazers are currently doing) and watches teams intent on finding a way to "beat the system" by buying players on the open market (see Knicks, New York) flounder in the mess that they've created, unable to simply buy their way out of the mud. To put it in very tangible terms, I'm not sure if you've heard this yet or not, but the Cavs can offer LBJ more money in NBA salary than any other team, just as Toronto can offer Chris Bosh more than any other team, just as Miami can offer Dwayne Wade more money than anyone else this upcoming off-season.

Compared to the system in place in MLB, how alien is that concept?

In MLB, most teams now are left to rely on the idea that they have to develop players that arrive and thrive at the same time to open their window of contention, see if they can use their increased revenue brought on by winning to keep that window open a little longer (see the Brewers' off-season signings as an example of how a team is trying keep that window propped until Prince Fielder heads to the East Coast after the 2011 season), and attempt to have everything go right for them in one magical year to vault themselves past teams without their constraints before they have to tear everything down all over again to wait for that next window to open.

How is it that every other league has figured out a way to reward prudent

SPORTS decisions (not business decisions) by individual franchises, while Cleveland fans are left to watch two Cy Young winners under the age of 30 face off against each other in Game 1 of the World Series while another rebuild/reload/whatever is underway on the North Coast?

Don't take this to be sour grapes (OK...maybe it is a little bit after seeing the events of 2008 and 2009 unfold in Cleveland), but how is it that Karl Malone and John Stockton are able to spend essentially their entire NBA careers in Salt Lake City (smaller than every MLB market) and little question exists that Peyton Manning will spend his NFL career in Indianapolis (larger than only Milwaukee among MLB cities) while the Twins struggle to convince Joe Mauer (a St. Paul native, no less) to ignore the extra years and zeroes on the check that awaits him in Boston or New York after this season to stay in Minnesota?

A solution to the burgeoning issue is needed and, while the owners may not have an interest in doing this as they all line their pockets, flush with the economic boon to the sport that has transpired since Selig took over, perhaps they should if they're looking at the long-term viability as their sport to be viewed as much more than a imbalanced joke. Reason being, the public has taken notice of the current structure and if a Seton Hall poll from November 5th of this year is any indication, public perception about their sport is essentially a David vs. Goliath tale, with their popularity dropping since 1985
, when it ran neck and neck with NFL as America's most popular sport:

Sixty percent of Americans who follow sports feel that teams located in bigger markets have an advantage in producing winning seasons, according to a poll conducted this week by the Seton Hall Sports Poll. Twenty-six percent felt the bigger market teams did not have an advantage.

The polling took place this week as the New York Yankees, representing the nation's biggest market, played the Philadelphia Phillies, representing the nation's fourth largest market.

Seventy percent of fans feel that Major League Baseball should make a bigger effort to equalize revenue for all teams, as the NFL has done.

--snip--

"While occasionally a small market team like Minnesota or Tampa Bay will

break through and win a division or a playoff round, the big markets continue to prevail in the later rounds, and the fans clearly link that success to the ability to generate bigger revenue," noted Rick Gentile, director of the Seton Hall Sports Poll, conducted by The Sharkey Institute.

To be clear on this, what the public is looking for is not for every team to finish at or around 81-81 every season - what they're looking for is a legitimate competitive balance. Competitive balance doesn't mean parity, nor does it mean that each team necessarily has an equal shot at winning every year. Rather it means that the competitiveness of a team should be based upon the baseball decisions that a team makes and not decisions made where putting the best baseball team on the field falls somewhere down the list of factors.

If the Royals or Pirates draft poorly and are unable to develop their own talent, there's no question that they should find themselves in the cellar; but if the Twins or Rays draft and develop talent on a consistent basis, that talent should coalesce as the team sees fit, not within the parameters of their market and their payroll. If teams make a roster decision via trade, the prevailing reason should be baseball-related, above all other factors related to revenue or payroll or attendance, in an effort to foster the continuity that the other sports have already figured out.

What has happened instead of seeing these prudent teams focused on development grow into perennial powers is that the larger market teams have made great strides in recent years that have improved their baseball decisions (the Raul Mondesi-to-the-Bronx days aren't coming back) and that fact has put most other teams further behind the 8-ball as the large market teams have started to understand that they can't just dole out every big contract while they build a team (well,
maybe the Mets haven't
) and have started to develop their own young players. The issue arises however, when a team like the Yankees doesn't see their young players develop like they're supposed to or as quickly as they're supposed to (using Chamberlain and Hughes as examples) and they simply plug those holes via FA (Sabathia and Burnett) or, more recently, by trade (Granderson replaces Melky) as trading their prospects does not affect the Yankees as it does other teams. In this New World Order, where young, under-club-control, cheap talent is the most desired commodity, the Yankees and Red Sox (just to name two) can use their prospects to trade for other teams' desired commodities with the idea that once they enter the Bronx or

Yawkey Way, the Yankees or Red Sox have them under their collective thumb in terms of negotiation.

On the flip side, the smaller market teams are forced to take calculated risks in an attempt to narrow the margin between the larger market teams and themselves. In these attempts, they expose themselves to monetary risks that have the capability to sink the team if the risky venture turns out poorly. Forget the idea that small market teams don't want to "pay the going rate" or "pony up" for their homegrown stars, the simpler fact is that the likes of Boston and New York have the margin of error that allow them to buy their way out of mistakes. While Travis Hafner's 4-year, $57M contract (signed in 2007) sits around the Indians' neck like an albatross, paying "cash considerations" to the Cardinals to take Julio Lugo (signed a 4-year, $36M deal in 2006) certainly didn't seem to have affected the ability of the Red Sox to give John Lackey $82.5M this off-season. As the Brewers are paying $7.15M of Bill Hall's $8.4M salary in 2010 after designating him for assignment last season, and because a team like the Brewers is not able to simply absorb that cost without it affecting the rest of their operation, they work under a different set of guidelines than the large-market teams like the Yankees who are still in the midst of paying Kei Igawa $20M from 2006 through the end of 2011, yet happily committed to paying $423,500,000 to Sabathia, Teixeira, and Burnett last off-season, which ultimately resulted in their 27th World Series Championship.

On the surface, it seems that large market teams are rewarded for their market, not for their merit while the teams that call smaller cities home are left to attempt to find new ways to win. Apparently though, it depends on who you ask as Red Sox owner John Henry complained that smaller market teams aren't necessarily interested in winning and using their revenue sharing money to win and are instead simply pocketing it. His idea is to remove the notion of revenue sharing and to instead institute a "Competitive Balanced Payroll Tax" system :

"If the Yankees and the Mets spend a billion dollars plus of their investment dollars to build new ballparks, they should be allowed to keep their revenues from that," Henry wrote. "But if they want to spend $200,000,000 annually on payroll, they should be heavily taxed directly on that - and if they want to spend more than that, they should be even more heavily taxed. So should all clubs who spend heavily on payroll - to the extent necessary - to bring the system into balance."

While Henry's idea certainly has some merit, it still doesn't correct the fundamental problem in the current system as the teams in MLB are playing on different fields when it comes to being rewarded (or punished) for their baseball decisions in the won-loss column. That is, the Phillies developed the likes of Jimmy Rollins, Chase Utley, Cole Hamels, and Ryan Howard and should unquestionably in the mix for the MLB title. The problem is that the Phillies ran into a team in the World Series with an ace who cut his teeth in Cleveland, a 1B who came up with the Rangers, a 3B who was drafted by the Mariners, a LF who was originally a Royal, and a #2 starter who began his career as a Marlin. You could argue all day long about what circumstances put those players in the pinstripes last Fall (just as you could point to the Phillies' roster for a former Indian in Lee and a former Royal in Ibanez), but the public has grown weary of the idea that it's only a matter of time before every exceptional player in MLB becomes a member of the Yankees, the Red Sox, the Mets, or some other large market team.

So is there a solution?

Perhaps there is, and while I'm not calling for a return to the reserve clause or some sort of other form of indentured service, the 2 other major sports have figured it out to some degree, so there must be some way to do this to align consistency and competitiveness. Is it possible to satisfy the concerns of small market teams, quick to employ the "we can't afford to take those risks to keep our homegrown players" card as well as the large market teams, who feel that they are lining the pockets of small market team owners who have no interest in competing, much less winning, so long as they are making money?

Going back to John Henry's idea for a "Competitive Balanced Payroll Tax", wouldn't it make sense to use the funds created by this "tax" (and the revenue sharing number in 2009 was allegedly $400M that was "distributed from high revenue making clubs such as the Yankees and Red Sox to those at the low end of the spectrum, such as the Marlins, Pirates, Rays, and Royals") to enable the smaller market teams to compete with the large market teams, in respect to keeping their homegrown players as members of their organization?

That is to say, if funds existed specifically to assist teams to keep their own players, it becomes less of an unbalanced field as to who can go out and "buy" the best players and more of an idea of developing the best players and keeping them to build around them and to allow them to congeal as a

team as MLB teams once did. This idea shouldn't take money out of players' pockets however as the players should be fairly compensated for "what the market will bear" for their services, but perhaps a solution to that problem could be found.

A possible solution could go something like this - once a player hits Free Agency, allow said player to go out on the open market to see what deals exist for him out there. When the bidding has concluded and an offer sheet is signed by the player and his agent, his current team has 10 days to match the offer, much like Restricted Free Agency in the NBA. Now here's where that pool of money created by the "Competitive Balanced Payroll Tax" come in - **the player's current team can decide to match the offer sheet while only footing the bill for half of the contract with the other half of the money coming from the pool of money created by the Competitive Tax Pool** that John Henry argues for. To put that in tangible terms, if the Brewers wanted to match the Yankees' 7-year, $161M contract offer from the Yankees last off-season, they would be responsible for $80.5M of the deal with the other $80.5M coming from the Tax Pool.

Thus, the large market teams can still bid for the services of the players they desire and, if their offers are matched, they have effectively ensured that the money that they pay into the "Competitive Balanced Payroll Tax" is going strictly for MLB players (not for other small market "expenses") and the smaller market teams don't have to assume as much risk in signing their own players to their contracts to keep them. The large market teams may not like the idea of bidding against their own money or subsidizing the contracts of players not playing for them, but their concerns about throwing money into other owners' pockets would be allayed and they would be left to strive for the same excellence in player development that every other team would be chasing.

If teams don't elect to utilize this Tax Pool to keep their own players, the onus is strictly on them for either not developing players internally compelling enough that they want to keep them or they are exposed for being more concerned with the bottom line than they are the product on the field. If a team develops players prudently, the machinations would be in place to keep those players as long as they wish to, with the players being compensated dollars equivalent to "what the market will bear".

Certainly some teams would attempt to find ways around this structure by simply

overpaying for young players or outspending other teams at a lower level in an attempt to develop their own players to take advantage of the Tax Pool. While that is a legitimate concern, it would bring a brighter focus on the need to create a worldwide draft or, at the very least, finalize some form of payment tied to draft position so teams with deeper pockets can't pay over slot to select better players later in the rounds because they're willing to throw more money at a riskier venture.

While some would argue that this would drive down salaries, I would argue the opposite and that, in the process, it could even indirectly even out the amount of risk large market teams would assume by signing Free Agents because of the escalating salaries that large market teams would be willing to dole out in an attempt to make even half of an offer sheet too daunting for another organization to assume.

For that, let's take a look at the very real Joe Mauer situation in Minnesota and assume that the Twins don't sign Mauer to a long-term deal this off-season. In the scenario, Mauer hits the open market with the Yankees and Red Sox both in need of catchers and salivating at the prospect of adding Mauer to their roster. Let's say that after all of the negotiating, the Red Sox trump the Yankees' best efforts by offering Mauer an 8-year deal worth $25M per year to come to Boston. In the newly proposed situation, the Twins would have the right to match the Red Sox offer, but pay only half of the salary with the other $12.5M annually being paid from the Tax Pool. If the number of $400M in revenue sharing being paid out last year is anywhere close to being true, subsidizing half of Mauer's salary would represent only a drop (actually a little over 3%) in the Tax Pool bucket. In the end, Mauer gets paid what the market will bear, the Twins keep Mauer without assuming all of the salary risk, and the large market teams know that the money put into the Competitive Balanced Tax Pool is actually being used to foster competitive balance and not simply being added onto the bottom line of the small market teams.

Certainly, one would have to assume that the likes of the Yankees and Red Sox would counter this new set-up by increasing the size of their contract offers, in an attempt to make even half of their offer give smaller market teams pause in accepting the risk, even with the Tax Pool money subsidizing half of the contract. To put it in the Mauer situation again, let's say that the Red Sox final offer came to 8 years and $40M annually in an attempt to scare the Twins away from accepting the risk associated with the Minnesota organization carrying the burden of a

8-year, $20M annual commitment. If the Twins decide to accept the risk, Mauer gets paid an even higher amount in the same manner as the previous scenario. If the Twins pass on the opportunity, Mauer still gets the money as he joins the Red Sox, who now have accepted a comparable amount of risk that small-market teams do in committing a large percentage of their payroll to one player and have essentially ensured themselves that they will continue to pay into the Competitive Balanced Tax Pool because of the annual salary necessary to net the player that they were willing to pay for.

Another argument that could be made is that it would severely limit the trade market because teams would not be willing to trade their own players with the machinations in place for them to have half of their own players' contracts subsidized by the Tax Pool. I would argue that the opposite again may be true as trade values for pending Free Agents would actually skyrocket as not only would the soon-to-be-Free-Agent be traded, but also his status as a team's own player and, as a result, the ability of a team to have half of that player's next contract subsidized by the Tax Pool. That is, when the Indians traded Victor Martinez in July of 2009, they would be trading not only Martinez under his current contract, but also the right to have half of Martinez's contract after the 2010 season subsidized by the Tax Pool, whether he would be a member of the Red Sox or whatever other team would have acquired him and those rights. Trades would be made for baseball reasons only and organizations would not be able to cite payroll constraints as reasons for making a deal, left to justify the idea that their team is better off with the trade completed.

A common misconception would be that the system would benefit only small market teams, but the use of the Tax Pool money wouldn't be restricted from helping ANY team keep their own players. The large market teams wouldn't be excluded from sharing in this Tax Pool, so if the Angels wanted to keep John Lackey and Chone Figgins this off-season, they wouldn't be exempted from sharing in the Tax Pool (even if they contribute to it) as each player was a member of the Angels when they entered Free Agency. It would place a greater emphasis on player development and continuity with the idea that teams that made intelligent baseball decisions would field the best teams, regardless of how many people called their metro area home.

If the sport is so flush in revenue (and it is, as MLB has generated nearly $13B in revenue in the past two years), spread the money around to the players and to reward the teams that are prudent

baseball minds, not business minds. Utilize the "Tax Pool" (or "Central Fund" or whatever you want to call it) and the shared profits in a manner that they're supposed to be used, to even the playing field by not punishing teams for being in markets that are large or markets that are small, but rather for not making the best baseball decisions to put the best team on the field.

If all of the Tax Pool money isn't used to effectively subsidize contracts, allow the remainder to be distributed evenly back to the 30 teams for "performance-related" expenditures, meaning that if a team like the Royals or Pirates don't develop talent compelling enough to generate interest on the open market that they don't get any more shared money than the larger market teams do. In doing so, it would place an even greater emphasis on teams developing their own players and creating the continuity necessary for ANY team to sustain contention, not just those with fatter wallets.

How this would affect salaries prior to the Free Agent process or arbitration hearings as well as how it would affect the movement of lower levels of Free Agents would play itself out over the course of time, but the familiar complaints from both the large and small market teams would be wiped away. No longer could John Henry say that small market teams aren't using the shared profits of the league to create more competitive teams, just as small market teams would no longer to be able to cry foul that they were outbid by the "haves" while the "have-nots" were left lacking for funds to keep their homegrown players in an effort to consistently contend as the system is currently constructed to only allow a few teams to accomplish.

In the new system, the Rays could keep Longoria, Upton, Crawford, Pena, Shields, Garza, and Price as long as they'd like to without diminishing the amount of money that those players would receive just as the Phillies should not have to decide whether they have the wherewithal to keep Jayson Werth, who they prudently signed to a one-year, $850,000 deal back in December of 2006, when he becomes a Free Agent after this season.

Whether the math works or how the ultimate distribution of funds shakes out, it would certainly seem that the money is there to institute this modification on the use of funds for all of MLB to potentially benefit all 30 MLB teams. The caveat would be that the teams that it would benefit would be the teams that developed players and created an environment for players to develop as a cohesive unit into a perennial contender.

The modification would reward teams for the merit of their baseball-related decisions, not simply the market in which they made those decisions. It could potentially bring back the days when a player spent his career with one team (without compromising his earning power) and, more importantly, even the playing field to legitimately renew the idea that MLB wasn't going forward with a flawed system weighted towards particular organizations.

While that may not represent the panacea, it would certainly represent a start.