# 2021-2022 Major League Baseball Lockout Background Guide

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## **Letter From The Chair**

Delegates,

Hey everyone! My name is Matt Hartman, and I'm going to be your Chair for this committee. I'm a Senior at GW majoring in International Economics with a minor in Marketing, and I've been involved in WAMUNC since my Freshman year here, where I worked as the CD for our JCC. I've previously worked as the USG for Historical and Specialized Committees as well as chaired another one of our crisis committees last year, so I understand the inner workings of the conference, and I'm thrilled to see how you all choose to approach the situation that's been given to you.

Outside of WAMUNC, last year I served as the Vice Head Delegate for GW's Model UN Travel Team, so let's just say there's a lot (maybe too much) of Model UN in my life. I'm the biggest baseball fan in history, and I still won't stop talking about the Phillies' run to the World Series. I really do eat, sleep, and breathe baseball to the point where people just immediately associate me with anything MLB related and I'm sure that me chairing this committee won't help with that! I'd also just like to apologize to any Mets and Braves fans out there for having to live with them as your teams... must be hard! Outside of baseball, I'm big into biking and discovering new music, mostly stuff from the 60s and 70s. Have fun this weekend, delegates, and remember: swing for the fences!

Best,

Matt Hartman

## **Introduction to Committee**

As the 2021 MLB season came to an end, so did the years-long Collective Bargaining

Agreement (CBA) that kept the players paid, owners happy, and executives bringing in money.

For the first time since 1994, the unthinkable happened: there was a play stoppage in Major

League Baseball. After the disaster that was the 2020 COVID-shortened season, debates over

player salaries, free agency, bargaining rights, rule changes, and much more will ravage both

clubhouses and courtrooms as Major League Baseball finds itself at an important junction that

will shape its future for decades to come. The league is modernizing whether ownership wants it

to or not, but the question is: will the new CBA be a home run, or will the league strike out and

tear itself apart?

## **Historical Background**

## Other play stoppages in history

In its modern history, Major League Baseball has seen nine total play stoppages, including the current lockout. The following is a brief overview of some notable strikes/lockouts and their accomplishments:

#### 1972 MLB Strike:

The first play stoppage in the modern era, it is most notable for setting a precedent for play stoppages when players and owners have a strong disagreement on an issue, particularly regarding the salaries or health of the players. In this case, the strike was caused by an

unwillingness for owners to raise the pensions of players with inflation, leading to a play stoppage and an eventual agreement to increase benefits for players.

#### 1976 MLB Lockout:

Perhaps the most important play stoppage from a structural perspective, this lockout established the right for MLB players to become Free Agents after the expiration of their contracts, known as the *Reserve Clause*. Previously, a player was forced to stay with his team until he was released, traded, or retired. This strike was brought on by a Supreme Court case that upheld the Reserve Clause, with players refusing to take part in games until they felt they had adequate control over their futures and careers. In the end, the lockout concluded with Free Agency codified into the MLB operating structure.

#### 1994-1995 MLB Strike:

The longest strike in MLB history, lasting 8 months, stemmed from owners attempting to institute a salary cap, seen by players as an excuse to avoid paying the salaries of those already on the roster. This strike was notoriously toxic and nasty, and I couldn't possibly do it justice in a short blurb, but in summary it caused the cancellation of the ½ of the 1994 Season as well as the entire Postseason, and became one of the defining moments in establishing the strength of the MLBPA that still continues to this day. A National Labor Relations Board ruling forced owners to stand down, and a salary cap was never added to Major League Baseball, a hot button issue still today.

## Current State of CBA (Collective Bargaining Agreement)

The 2017 CBA was relatively minor in its changes compared to some in the past, as well as compared to the changes that are being demanded for the upcoming agreement. Some of its notable changes include:

- → An increased number of off-days for players during the regular season
- → A framework to play regular season games in foreign countries for exhibition purposes, such as in London, Tokyo, or Santo Domingo.
- → The All Star Game would no longer decide home field advantage for the World Series.

  Instead, the team with the higher winning percentage would gain the advantage, as was the case for all other playoff rounds.
- → Increases in penalties for teams that have exceeded the luxury tax thresholds, including the loss of draft picks
- → Replacement of the International Draft with International Signing Bonuses
- → A framework for signing players out of foreign leagues such as the KBO and NPB, with 5 years of service time required in said player's domestic league before they can be officially signed with an MLB club
- → Increased player quality of life options, such as sports psychologists and meal planners
- → A stricter regiment to test for and punish PEDs (Performance Enhancing Drugs)

### **Current Demands/Current Situation**

#### Salaries, Player Safety, and Bargaining Rights

As is customary with previous Collective Bargaining Agreements, players are looking to negotiate an increase in salaries that is consistent with the expected inflation that will occur over the duration of a 4 year agreement. Additionally, they are looking to establish a minor league minimum wage that is both fair and liveable, as many professionals currently find themself stuck in the minors without ever making it to The Show, leading to living situations that are not sustainable in the long term. Players looking for job security are also looking to implement a guaranteed arbitration system, by which players who are eligible for arbitration due to service time are guaranteed a contract in some form, whether it be a major or minor league one. This looks to offset fears over job security if teams were to potentially decide to drop a player before they were required to pay them after the end of their rookie contracts. Players on the edge of Major League play are looking for an option system regarding their call-ups to and from the minor league. Given such a system, there would be a limit to how many times a player can be sent down to the minors without a team sustaining penalties or losing the player's contract. Finally, players are looking for default arbitration salaries to be based on performance, meaning that a Cy Young winner on his rookie contract would be expected to be offered much more in arbitration at a minimum than a utility man who's never batted over .200 in a season.

New Rules, Minor League Seasons, Offseason Rules, Other Game-Focused Issues

Perhaps the most interesting part of the potential CBA are the proposed rule changes that have been promised by the Commissioner for the better part of a decade now. Many players are expecting this agreement to finally put them into place. A list of some potential changes are:

- → Expanded Postseason
- → Establishment of a Draft Lottery
- → Universal DH rule
- → Pitch clock / pace of play rules
- → Banning of the defensive shift
- → Automatic Balls and Strikes (ABS) systems
- → Increasing the size of bases

Whether these rules are implemented at all is up for discussion, as well as if they were to be implemented directly by the CBA, or through a rules committee made up of players and executives.

#### State of the Game

Since 2016, Major League Baseball has struggled with declining ratings, as fans have increasingly criticized the slow pace of games and perceived lack of excitement compared to other sports. The league also faced significant controversies over its handling of the baseballs used in game, with accusations of manipulating the ball to influence outcomes. During the "juiced ball" era, a measurable increase in home runs led to speculation that MLB intentionally altered the ball to boost offense, something corroborated by both pitchers and players. On top of this, the league cracked down on pitchers' use of sticky substances to enhance grip and spin rates, implementing mid-season checks that disrupted pitching performance and frustrated many players. This was also in an attempt to boost offense, as a lack of control by pitchers would theoretically lead to more hits, and thus more exciting games. One common theme over these

incidents is the idea that artificially messing with the pace of play will always create more issues than it solves, specifically when it comes to player and fan trust about the integrity of the game. These overlapping issues have eroded trust and highlighted MLB's struggle to balance tradition with modernization, something that many are looking to curtail with the introduction of rules that organically shift the game in a more fast-paced direction.

## **Character List**

Hal Steinbrenner - New York Yankees Owner

Hal Steinbrenner, the principal owner of the New York Yankees, is no stranger to the pressure of preserving the legacy of one of the most successful franchises in MLB history. As the son of George Steinbrenner, he has inherited both his father's businesses and the expectation to maintain the Yankees' dominance on the field. During the lockout, Steinbrenner's focus has been on protecting the financial interests of the Yankees, ensuring lucrative broadcasting and sponsorship deals remain intact. His deep connections to New York's financial elite give him significant sway in negotiations, but his insistence on protecting large-market teams' interests has made him a polarizing figure.

#### • John Fisher - Oakland A's Owner

John Fisher, owner of the Oakland Athletics, is often regarded as one of MLB's more frugal executives. Known for running a tight budget and relying on innovative strategies like "Moneyball," Fisher represents small-market owners who push for revenue-sharing reforms and stricter salary caps. His involvement in the lockout centers on advocating for policies that ensure

competitive balance between small and large-market teams. Fisher's background in real estate and retail, as well as his family's billionaire status, contrasts sharply with his team's low payroll, a paradox that players' representatives have not hesitated to highlight.

## • Arte Moreno - Los Angeles Angels Owner

Arte Moreno, the first Hispanic owner of a major sports franchise, oversees the Los Angeles Angels. Known for making bold free-agent signings, including Shohei Ohtani, Moreno has often clashed with league officials over spending limits and player compensation issues. During the lockout, he has positioned himself as a moderate voice, balancing the needs of high-profile players with the economic realities of running a team in a competitive market. However, critics have pointed to the Angels' inability to build a winning roster despite their big-name stars, questioning his ability to lead during this critical period.

## • Jerry Reinsdorf - Chicago White Sox Owner

Jerry Reinsdorf, a veteran MLB owner and chairman of the Chicago White Sox, is one of the most influential figures in baseball's ownership circle. With decades of experience in labor disputes, including the infamous 1994 strike, Reinsdorf is seen as a staunch advocate for the owners' side. He has been outspoken in pushing for tighter financial controls and opposing significant increases to the players' share of revenue. Known for his pragmatic approach, Reinsdorf often works behind the scenes to broker deals, though his reputation as a hardliner has sometimes drawn ire from the MLBPA.

#### • Thomas Ricketts - Chicago Cubs Owner

Thomas Ricketts, owner of the Chicago Cubs, enters the lockout negotiations as a prominent voice for balancing player compensation with long-term financial sustainability. After leading the Cubs to a World Series victory in 2016, Ricketts has faced criticism for recent cost-cutting measures despite the team's lucrative market and fan base. He has emphasized the need for owners to invest in infrastructure and analytics, arguing that unchecked spending on player salaries could hinder innovation. However, Ricketts' actions, including recent roster moves, have raised questions about his commitment to competitiveness.

## • John Middleton - Philadelphia Phillies Owner

John Middleton, principal owner of the Philadelphia Phillies, has made headlines for his aggressive spending in free agency, including securing Bryce Harper. His philosophy of investing heavily in star players makes him a unique voice during the lockout. Middleton has argued for policies that incentivize teams to remain competitive rather than slashing payrolls during rebuilding phases. While his stance has earned him some support from players, other owners have criticized him for inflating the free-agent market and destabilizing league-wide finances.

#### • Steve Cohen - New York Mets Owner

Steve Cohen, the hedge fund billionaire and owner of the New York Mets, is one of the newest yet most influential voices among MLB owners. Known for his willingness to spend lavishly on player acquisitions, Cohen has disrupted traditional spending norms, much to the frustration of

smaller-market teams. During the lockout, he has advocated for maintaining the luxury tax thresholds that allow wealthy owners to dominate free agency. With his deep pockets and connections in finance, Cohen wields significant influence, but his aggressive approach has made him a lightning rod in negotiations.

#### • Mark Walter - Los Angeles Dodgers Owner

Mark Walter, part of the ownership group behind the Los Angeles Dodgers, is a key player in maintaining MLB's revenue growth. With the Dodgers consistently ranking among the league's highest payrolls, Walter represents owners who benefit from strong player investments. His role in the lockout is focused on ensuring that revenue-sharing agreements do not disproportionately penalize big-market teams. Walter's background in investment banking adds a strategic perspective to negotiations, though his alignment with high-spending franchises has created friction with smaller-market owners.

#### • Stuart Sternberg - Tampa Bay Rays Owner

Stuart Sternberg, the owner of the Tampa Bay Rays, is a vocal advocate for small-market teams. Known for the Rays' low payroll and innovative front office strategies, Sternberg has positioned himself as a defender of teams with limited financial resources. He has pushed for reforms in revenue sharing and player arbitration systems to level the playing field between markets. However, players and larger-market owners alike have criticized Sternberg's reliance on cost-cutting measures, particularly as the Rays continue to deliver on-field success without substantial payroll investments.

• Mark Shapiro - Toronto Blue Jays Owner

Mark Shapiro, president and CEO of the Toronto Blue Jays, is a unique voice in the lockout as the leader of MLB's sole Canadian team. Shapiro has emphasized the challenges of running a franchise across international borders, advocating for policies that consider currency exchange rates and international free-agent signings. His extensive background in front office management has made him a respected negotiator, though his efforts to balance competitiveness with budgetary constraints have not always aligned with the priorities of larger-market owners.

#### • Rob Manfred - MLB Commissioner

As MLB Commissioner, Rob Manfred is at the epicenter of the 2021–2022 lockout negotiations. Tasked with representing the interests of all 30 team owners, Manfred has advocated for a restructured economic system that ensures the league's financial stability. However, his tenure has been marked by criticism from players, fans, and even some owners, who accuse him of prioritizing profits over the sport's integrity. Manfred's legal background and history of navigating contentious labor disputes make him a formidable, albeit controversial, figure in the ongoing lockout.

#### • Dan Halem - Deputy MLB Commissioner

Dan Halem, MLB's Deputy Commissioner and Chief Legal Officer, serves as Manfred's right hand in the lockout negotiations. A seasoned expert in labor law, Halem has taken the lead in crafting proposals on luxury tax thresholds, player arbitration, and service time manipulation. His calm and calculated demeanor contrasts with the more public-facing roles of other

executives, but his staunch defense of the owners' positions has made him a central figure in the MLBPA's frustrations.

• Lara Wisch - Executive Vice President, MLB

As MLB's Executive Vice President, Lara Wisch oversees the league's communications strategy during the lockout. Tasked with controlling the narrative, Wisch works to frame the owners' demands in a way that appeals to fans and stakeholders. Her extensive background in corporate communications makes her adept at managing public relations crises, though her attempts to paint the owners in a positive light have met resistance from an increasingly skeptical audience.

• Tony Reagins - Chief Baseball Development Officer, MLB

Tony Reagins plays a crucial role in maintaining MLB's long-term growth amid the lockout. As Chief Baseball Development Officer, Reagins focuses on expanding the league's reach, particularly among younger audiences and international markets. While his job is less directly tied to the labor dispute, his efforts to grow the game's popularity provide a stark contrast to the ongoing challenges of keeping fans engaged during the stalemate.

• Bob Starkey - Chief Financial Officer, MLB

Bob Starkey, MLB's CFO, is instrumental in the financial modeling behind the league's lockout strategy. Starkey has been a key advisor in shaping policies around revenue sharing, salary caps, and luxury tax thresholds. With a deep understanding of MLB's financial health, Starkey's insights help owners justify their positions in negotiations. However, his hardline stance on limiting player salaries has drawn criticism from the MLBPA.

Tony Clark - MLBPA Executive Director

As Executive Director of the MLB Players Association, Tony Clark is the face of the players' union during the lockout. A former MLB player himself, Clark understands the challenges and aspirations of the players he represents. His focus has been on increasing players' share of league revenues, addressing service time manipulation, and ensuring fair arbitration processes. Clark's leadership has united players around key issues, but the pressure to deliver results in the face of ownership resistance has never been greater.

- Melba Markowitz MLBPA Senior Executive Assistant & Operations Manager
  Melba Markowitz serves as the logistical backbone of the MLBPA. From coordinating union
  meetings to managing communications, Markowitz ensures that the players are informed and
  organized throughout the lockout. Her decades of experience within the union have made her a
  trusted advisor to Tony Clark, and her behind-the-scenes influence has been pivotal in keeping
  the MLBPA on track during this contentious period.
  - Dave Winfield Special Advisor to the Executive Director, MLBPA

Baseball Hall of Famer Dave Winfield brings both experience and star power to the MLBPA as a Special Advisor to Tony Clark. Winfield's role involves bridging the gap between current and former players, offering historical perspectives on past labor disputes. His legendary status in the sport gives him credibility among players and fans alike, making him a powerful advocate for the union's goals.

#### • Jonas Baer-Hoffman - MLBPA Special Advisor

As a Special Advisor to the MLBPA, Jonas Baer-Hoffman lends an international perspective to the union's strategy. With a background in labor relations across global sports, Baer-Hoffman has been instrumental in advocating for the rights of international players during the lockout. His expertise ensures that the MLBPA's approach accounts for the diverse backgrounds and priorities of its members.

## • Shohei Ohtani - Los Angeles Angels Player

Shohei Ohtani, one of MLB's brightest stars, has become a symbol of the league's global reach. As both a pitcher and a hitter, Ohtani's unique skills make him a focal point in discussions about fair player compensation and marketing opportunities. While he has largely stayed out of the spotlight during the lockout, his presence serves as a reminder of the league's reliance on international talent.

#### • Xander Bogaerts. - Boston Red Sox Player

Xander Bogaerts, a consistent performer for the Boston Red Sox, has been vocal about the need for increased transparency in league operations. As a representative for international players,

Bogaerts has highlighted challenges faced by players from smaller baseball markets. His steady presence in the negotiations underscores his commitment to advocating for players' rights, both on and off the field.

#### • Shane Bieber - Cleveland Guardians Player

Shane Bieber, a Cy Young Award winner, has lent his voice to issues surrounding arbitration and service time. Bieber's meteoric rise in MLB has made him a strong advocate for younger players who face significant barriers to fair compensation early in their careers. His involvement in the lockout discussions demonstrates his commitment to ensuring the next generation of players receives equitable treatment.

#### Fernando Tatis Jr. - San Diego Padres Player

Fernando Tatis Jr., one of the most electrifying players in the league, represents the future of baseball. As a vocal advocate for player empowerment, Tatis has used his platform to call attention to issues such as service time manipulation and revenue sharing. His charisma and popularity make him a key figure in rallying public support for the players' cause.

## • Yadier Molina - Saint Louis Cardinals Player

Veteran catcher Yadier Molina has taken on a leadership role during the lockout, using his experience to mentor younger players navigating the dispute. Molina's storied career and respect across the league make him a natural mediator, often bridging divides between different factions within the MLBPA. His focus remains on protecting the interests of both current and future players.

## • Bryce Harper - Philadelphia Phillies Player

Bryce Harper, one of baseball's most marketable stars, has been a prominent advocate for addressing the economic disparities within the league. Harper has spoken out on social media, leveraging his massive following to bring attention to the players' grievances. His high-profile presence ensures that the players' side of the story remains front and center in public discourse, although his short fuse and incredibly competitive spirit have given him some less than marketable moments in his career.



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