

Too much money in sports



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BUSTER**

Too Much Money in Sports Within this current economy, money is always a topic of interest. It's hard to avoid a newspaper headline or 10 O'Clock news segment that doesn't discuss the economy and what the government is doing to fix it. Unemployment rates are at an all time high, and people are forced to spend less and less with each passing day.

However, some people don't have to worry at all about the state of the economy. While actors, musicians, and big business CEOs all rake in tons of cash each year, I feel as though athletes are the worst culprits. To put it simply, they make money, lots and lots of money, to play a game. It's common knowledge that major athletes are paid millions of dollars each year to represent their respective teams in an attempt to win their league's championship. However, the amount these players are basically charging for their services is astronomical. For example, Alex Rodriguez plays third base for the New York Yankees. He has been selected to play in the MLB All-Star game twelve times, has won three MVP awards, and has compiled an all-time batting average of .

305 (1). Any baseball fan, regardless of their like or dislike for Mr. Rodriguez, would have to agree that these are excellent stats. It is easy to see that Alex Rodriguez deserves to be paid well for his services. However, there is a huge difference between what he rationally deserves and what he actually is paid. In 2009, Rodriguez had a base salary of \$33, 000, 000 (1). He also had 444 at-bats. This means that for every time Alex went to the plate to hit, he made a little more than \$74, 320. Including the fact that he also played defense at third base most innings, this is still ridiculous. In

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contrast, the average firefighter in the United States makes \$40, 000 a year (2). Think about that. Rodriguez makes almost twice as much in one at bat than the average firefighter does in one year.

I can't speak for everyone, but I'd have to say that the firefighter definitely contributes more to society, yet makes significantly less. This needs to change. Baseball isn't the only sport with this problem. All four of the major leagues (National Football League, National Hockey League, National Basketball Association and Major League Baseball) all pay their players too much for playing. A major problem is that all these leagues have a league minimum. That means that if a player is in the league, he must earn at least a certain amount set by the league, even if he never plays.

Players who sit on the bench all season still make this league minimum, and even though it is pretty low compared to the salary of a superstar, it's still much higher than the salary of people who contribute to the well-being of society on a daily basis. For example, the league minimum for a player in the NBA who has played for at least three years is \$855, 189 (2). That number only increases with the amount of time the player stays in the league (after ten years, the minimum stops increasing at 1. 3 million dollars (3)). Again, to offer some perspective, the average school teacher makes about \$37, 000 a year (2).

That means it would take them about thirty five years to make as much as an NBA league veteran makes in one year. It boggles my mind as to how this happened in the first place. However, we cannot place all the blame of this overpaid market on team owners and league officials. Sponsors and

advertisers are just as guilty when it comes to overpaying athletes.

Superstar athletes are plastered all over commercials, cereal boxes, sports drinks, sporting goods, and billboards.

For example, Tiger Woods is at the forefront of the professional golfing world. People who have never even touched a golf club or watched a second of a golf tournament know who Tiger Woods is. Ignoring the recent events in his personal life that have led to extensive and unfavorable media coverage, Mr. Woods can be considered the most popular athlete in the world. It's no mystery as to why so many companies make sponsorship deals with the man. In 1996, towards the beginning of his illustrious career, Tiger signed a deal with General Motors that paid him \$10, 900, 000 for appearing in advertisements for their cars (4). He also signed a five year deal with golf equipment manufacturer Titleist worth \$20, 000, 000 in that same year (4). His long-term partnership with Nike also started that year with a five year deal worth \$40, 000, 000 (4).

Four years later, the Nike deal was extended another five years. This time, Wood's asking price shot up from \$40, 000 to \$105, 000(4), and Nike gladly gave it to him. More sponsorship deals would roll in through the years, including a \$40, 000, 000 four year deal with Buick, \$15, 000, 000 deal with Gillette, and a deal with Gatorade that gave Tiger his own brand of the sports drink that's worth in excess of \$100, 000, 000 (4). All these high priced sponsorship deals add up to Woods becoming the first athlete in the world to be worth one billion dollars. Let that statement roll around in your brain for a minute. Tiger Woods, a man who plays golf for a living, is worth over a billion dollars.

With the United States population coming in at around 305 million (5), he could theoretically afford to give every resident of the country a little more than three dollars. That is utterly preposterous. The biggest problem with athletes being paid isn't even the fault of owners, advertisers, and league commissioners. The biggest influence on athletes being overpaid is us, the American public.

We are the ones who fuel the industry. We love entertainment. We love watching sports. It brings us together and tears us apart. Our allegiance to a team becomes a part of us, and we connect ourselves with our favorite players. For this reason, Americans spend billions of dollars every year on game tickets, merchandise, sports packages for cable/satellite, and memorabilia. Over \$26, 000, 000, 000 is spent by consumers a year on just spectating a game (6). This amount includes ticket sales, parking at stadiums, and concessions.

When consumers are willing to spend all this money to watch their favorite athletes play, why wouldn't owners be willing to pay millions to keep these players around? Television stations also pump extravagant amounts of money into the sporting world to get the rights to show games. With all the sports fans out there, stations can make money from advertisements shown during games. Almost \$7, 000, 000, 000 is spent yearly by major networks on media broadcast rights. It may sound like I'm getting a bit off topic by not concentrating on the players, but all of this is related. Sports are a big deal because of the players. They are the spectacle.