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Major League Baseball and World War II: Protecting The Monopoly by Selling Major League Baseball as Patriotic

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Major League Baseball and World War II:
Protecting The Monopoly by Selling Major League Baseball as Patriotic

A Thesis

Submitted to the Graduate Faculty of the
University of New Orleans
in partial fulfillment of the
requirements for the degree of

Master of Arts
in
History

By
Patrick Stephen
B.A. University of New Orleans, 2007
May 2014
Dedication

This thesis is dedicated to my family and especially my wife, My-Hanh, who convinced me to follow my heart and pursue a higher education in something that I have always loved.
Acknowledgement

I would like to acknowledge my three mentors. Without their invaluable support I would not have been able to complete my studies and finish my thesis at the University of New Orleans. First, I would like to thank Dr. Allan Millett, my thesis advisor and chair of the MA committee, for his constant encouragement and support. His guidance throughout the writing process and advice on avenues of research helped create a balanced study.

Second, I would like to thank Dr. Connie Atkinson for challenging me during my second year of graduate school by asking me on what I truly wanted to do and providing blunt criticism that helped develop a reason for writing this paper.

Third, I am indebted to Dr. James Mokihber for accepting me into the program and seeing me through its completion. Through the countless times I was called away for military training and changes in topics, he kept me on the correct path to complete my education.

It would be remiss of me if I failed to acknowledge the professors of the History Department whose lectures enlarged my understanding and helped my appreciate how to use historical knowledge to benefit society: Dr. Günter Bischof who was the first history professor I took a class with over 10 years ago, Dr. Michael Mizell-Nelson, who showed me that public history is all around us and needs to be illuminated for others to appreciate what impact it has today, and Dr. Gerald Bodet, who saw the potential in me and never gave up on making sure that I understood the meaning of what a historian truly is.

I would like to thank Paula Fortier who took the time during her PhD candidacy to advise on how to form an argument. A retired Navy chief, she knew how difficult it is for military veterans to express their thoughts in written communications.
Finally, I would like to thank my loving wife, My-Hanh, who allowed me the time to focus on my research and never impeded the endless amount of time dedicated to completing my journey as a historian. Though there were times when it seemed an incomplete project beyond my capability, she continued to support me throughout my career change.
Abstract

The Green Light letter from President Franklin Roosevelt to Major League Baseball Commissioner Kenesaw Mountain Landis gave MLB permission to continue throughout World War II. The team owners felt relief that MLB is the only professional sport to survive during the years of World War II (1941-1945). MLB became a primary contributor toward the war effort. While war-supporting efforts were conducted, team owners positioned themselves to benefit from the bond between baseball and the American people. MLB portrayed itself through the commissioner’s office policy as a patriotic partner by providing entertainment for American factory workers and contributing equipment to servicemen overseas. MLB also remained a monopoly without Congressional inquiries or public challenge. Since MLB was exempt from anti-trust laws, team owners operated within MLB’s anti-trust exemption and strengthened position for the post war period.

Keywords: Baseball, World War II, Owners, Green Light Letter, Roosevelt, Congress, Spalding, Louisville, Landis, Commissioner, Monopoly, anti-trust
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Introduction

Baseball was the most popular professional sport to survive during World War II. Major League Baseball (MLB) lost players to military service, endured equipment substitutions, and created war relief programs to improve morale of the American people. While writers have romanticized the story of MLB’s role during the war, almost nothing has been written about how team owners benefited from little or no government regulation. With MLB’s exemption from the Sherman Anti-trust Act of 1890 and the Clayton Act of 1914, Congressional oversight did not influence the offices of baseball executives during the war years (1941 – 1945), thus creating a security blanket for team owners on the daily business. This thesis will offer insight regarding how the owners used MLB’s anti-trust exemption to position the game for increased financial gains after the conclusion of WWII and secure MLB’s status as a monopolistic business protected from Congressional regulation.

Many popular books are written about how MLB during World War II, such as Robert Goldstein’s Spartan Seasons: How Baseball Survived World War II. Although Goldstein depicts the many aspects of MLB’s war concessions as heroic, it lacks the primary source research associated with academic works. Spartan Seasons does dedicate a very brief paragraph about the financial data baseball owners provided in 1951 during a Congressional hearing on monopoly power in the United States. Spartan Seasons has little merit as an informative read, and should not be mistaken as a product of original research.

As a primary source, the National League (NL) owner meeting minutes from 1941-1944, located in the Baseball Hall of Fame Archives in Cooperstown, NY, and the 1951 Congressional
hearings on organized baseball offer a different perspective on MLB’s wartime sacrifices. From 1869 until this hearing, MLB was never examined by outside officials on internal regulating operations. The NL owners meeting minutes reflect common concerns shared with the American League (AL), since both leagues operated in similar fashion; only the NL records for the war year survived. This study intends not to tarnish the reputation of MLB, but to uncover the manipulation, collusion and future financial plans of MLB team owners that allowed MLB to grow despite the wartime pressures to regulate and contract activity.

Another good primary source for articles on MLB’s team owners, equipment substitutions, players in military service, and wartime restrictions is The Sporting News, which is considered to be the “baseball bible.” According to Dr. Steven Gietschier, who was The Sporting News archivist from 1986 to 2008:

Despite the efforts of the Baseball Hall of Fame to extend its mission and become an archival institution, Major League Baseball is a business without a business archives, so generally speaking, there are no corporate records or scholars to consult. Individual teams have not maintained their archival materials, either, and players and executives have not left behind what we would call manuscript collections.

Even with this limitation on baseball data, the information collected from the NL team owners’ meeting minutes from 1941 – 1944, the Congressional hearings of 1951 and The Sporting News is enough to show how MLB team owners benefited substantially from non-regulation during and after WWII.

This thesis analyzes the critical war programs and substitutions forced on Major League Baseball and the intentions of the team owners to benefit from the home front support of WWII.

---

2 Dr. Steven Gietschier, e-mail message to author, October 17, 2013
Topics include the players drafted into service, the reserve clause, territorial rights of MLB teams, Minor League Baseball (MiLB) farm systems, and war bond programs. MLB team owners believed that baseball was a necessity toward the war effort by boosting civilian morale and used MLB’s monopoly status to position the league for financial expansion after World War II.
Chapter One
Major League Baseball Origins to World War I

On Monday July 30, 1951, at 10 am in Room 346 of the Old House Office Building in Washington D.C., a special subcommittee met for Organized Baseball. For the next sixteen days, thirty-eight witnesses testified on the many unique self-regulating characteristics and monopoly exemption status of MLB. According to the Chairman, The Honorable Emanuel Cellar (Dem.-NY), “MLB regulated itself without feeling that it is necessary to comply with the laws relating to monopolies and restraints of trade.” Unlike the Kefauver hearings on organized crime in 1951, (one of the first series of government hearings on television) news industries were not permitted to cover the organized baseball hearings because the testimony might affect on pending cases and assault the integrity of baseball as a whole. After reading statements about the intentions of the hearings and a brief history about baseball, the first witness was called. A better understanding of the history of MLB must be attained before a through analysis of its wartime business can be conducted.

3 Study of Monopoly Power, 1.
4 Study of Monopoly Power, 2.
History of Baseball

In 1869 the Cincinnati Red Stockings were MLB’s first organized team that paid players on a contract basis for a season’s play. Before this time, baseball teams consisted of volunteers who played with little or no financial reward. In 1877, eight baseball clubs were created in Boston (Braves), Chicago (Cubs), Cincinnati (Red Stockings or Reds), St. Louis (Browns), New York (Giants), Philadelphia (Athletics), Louisville and Hartford. These baseball clubs would form the first organized league or National League (NL). Team owners believed that paying people to play a game was nonsense and the profits generated should go to the logistics of running a team and for paying salaries to the management. The players revolted. In 1890, financial backers and baseball players formed the Player’s League, whose sole intention was to share profits from gate admissions with the players. This feud between the leagues irritated baseball fans, which led to a decline in attendance from 1891 to 1900. Although the Players League lasted one season, the damage was done to baseball’s reputation and the players’ voice in future negotiations.

The decrease in attendance meant fewer paid admissions, the main source of income for MLB teams, hampering small market teams to stay in low income cities. From 1891-1900, the NL began reducing the number of teams, resulting in major cities losing MLB clubs. In 1901, after being denied permission to expand, the Western League (a minor mid-west league) changed its name to the American League (AL) and challenged the NL’s right to exclusive occupancy of

---

7 Team names are in parentheses since many metropolitan cities would consist of two major league teams at the turn of the century.
9 At one point during this nine year period, the number of teams fell to four.
abandoned major league territory. The intention was to “recolonize” vacated NL-affiliated cities and entice players by offering pay that did not conform to a NL salary cap.

This challenge by the AL contradicted MLB’s by-laws (established in 1877 by NL team owners), which states a team owns the territorial rights to a city and the surrounding suburbs (also applicable with minor league farm system). No other league could establish another team in a NL city without the consent from all major league owners. Unlike the Players League war, which resulted in an NL victory, the AL was determined to fight the NL until a favorable decision was rendered. After two years of bitter warfare, the American League won its point.

The Federal League, Baseball during World War I, and The Commissioner

After the creation of the AL, MLB’s popularity rose from 1903 until the beginning of World War I in 1914. With the National and American leagues having settled their differences in the 1903 Cincinnati Peace Compact, fans could now enjoy the game without public quarrelling. In response to the success of baseball, several prominent businessmen wanted to share in the popularity of MLB by creating a separate baseball league known as The Federal or Outlaw League. These magnates built new ballparks, renovated abandoned ones and enticed players to leave the major leagues with larger salaries and better pensions. MLB owners responded by invoking their territorial rights claim, increasing salaries to existing players and banning any player who “jumped ship” from the major leagues. During the 1914-1915 off-

10 Study of Monopoly Power, 29.
11 Spink, Baseball Guide and Record Book 1943, 162.
12 Spink, Baseball Guide and Record Book 1943, 161. The prominent businessmen that backed the Federal League were: Otto Stifel, Robert B. Ward, Charles H. Weeghman, Phil Ball, Henry Sinclair and James Alexander Gilmore serving as president.
season, the Federal League responded by suing MLB in Federal court for violating the Sherman Anti-trust Act of 1890 and the Clayton Anti-trust Act of 1914. The lawsuit ended up in the Federal court of Judge Kenesaw Mountain Landis. After hearing the deliberations from both sides, Judge Landis responded: “You all understand – both sides – that a blow to the game of baseball will be regarded by the court as a blow to one of our national institutions.” After two years of hearings, Judge Landis rendering a no-decision on the case. In the meantime, the Federal League found itself in deepening financial straits. In 1915, just after two seasons in existence, the Federal League gave up and settled out of court. In 1922, the case was revived again by the same businessmen who felt that they could still win at the Supreme Court level, but the result was still the same. In *The Federal Baseball Club vs. the National League*, Supreme Court Justice Oliver Wendell Holmes ruled:

[T]he business is giving exhibitions of baseball, which are purely state affairs … but the fact in order to give the exhibitions, the Leagues must induce free persons to cross state lines and must arrange and pay for their doing so is not enough to change the character of the business. As it is put by the [National League], personal effort, not related to production, is not the subject of commerce … [t]hat which, in its consummation, is not commerce, does not become commerce among the states because the transportation that we have mentioned takes place.

The indecision of Judge Landis and the final decision by the Supreme Court granted MLB an exemption from anti-trust laws. Providing protection for MLB team owners against any government inquiries on monopolistic practices would be tested twenty-nine year later.

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15 David Pietrusza, *Judge and Jury: The Life and Times of Judge Kenesaw Mountain Landis* (South Bend, IA: Diamond Communications, Inc, 1998), 156.

16 *Landmark Decisions of the United States Supreme Court V*, 123-124.

17 Because of his indecision to rule against MLB, Judge Landis would later become MLB’s first commissioner.
After the dissolution of the Federal league in 1917, MLB owners dealt with America’s involvement in World War I. American League President Ban Johnson sent out a surprising statement from Chicago that both Major leagues would ask the government to exempt 288 players from the draft in 1917 after the passing of the Selective Service Act in February of 1917.\(^\text{18}\) The public disapproval was enormous. People began to look at MLB as a greedy sport whose team owners cared more about their pocketbooks than American people’s entertainment.

The exemption never happened after Secretary of War Newton D. Baker threatened but not issue the *Work or Fight* order, which stipulated that persons would either work in the war industries or enlist in the military.\(^\text{20}\) MLB’s popularity dropped as a result of the proposed exemption. Many of the team owners did not approve of Ban Johnson representing all of the owners when making public announcements.

In World War I, the Wilson administration closed the nation’s racetracks to prevent gambling, forcing gamblers to refocus their efforts on baseball.\(^\text{21}\) Compounding the increasing public disapproval of MLB, eight Chicago White Sox players were found guilty of intentionally losing games in exchange for money during the 1919 World Series. On November 8, 1920, MLB team owners chose to remove the original three-man committee that oversaw MLB operations and appoint a single person as commissioner. That person was Judge Kenesaw Mountain Landis, the honest Federal judge whose indecision in the Federal League court case made him famous with Major League Baseball team owners.\(^\text{22}\) His appointment of commissioner also included unconditional power to make final rulings in all Major and Minor

\(^{18}\) “Ban Johnson plans an effort to procure exemption for Big League Players.” *New York Times*, November 22, 1917

\(^{19}\) This would be a lesson learned by team owners during the Second World War


\(^{21}\) *Judge and Jury*, 158.

League Baseball operations. With a new commissioner in place, the public outlook of baseball began to shift in a positive manner for the coming years.

MLB’s history is indicative of struggling American businesses during the turn of the century because of increasing popularity, financial constraints, and intensifying competition. Shortly after WWI, MLB was considered a flourishing sport with rising potential that appealed to the average American worker.

23 Judge Landis was a welcome relief for team owners in the beginning. His tough regulations and harsh penalties for cheaters created a positive public perception of MLB. However, in the final years of his tenure, owners viewed him more of a nuisance for future MLB operations. Upon his death in November 1944, team owners took several months searching for another commissioner while control was gained back for team operations. Looking for less of a micro manager and more of a politician who would help in Washington, MLB elected Albert Benjamin "Happy" Chandler, Sr. as the next commissioner.
Chapter 2
The Anatomy of Major League Baseball

Before the 1951 Congressional hearings, government officials and the general public did not know how MLB operations were conducted. What MLB procedures on self-regulation justified the anti-trust exemption? What were the rules and regulation for expanding and declining markets? How much influence did the player’s voice have in Major League Baseball? By utilizing primary sources, a definitive picture can be drawn on the financial workings and self-governing of MLB.

Territorial Rights and Reserve Clause

Major League Baseball’s by-laws were created during the late nineteenth century, but technological innovations, the expanding fan base, media coverage and two world wars created a need for change. NL President Ford Frick described two fundamental principles – territorial rights and reserve clause:

The provision for territorial rights is simply an agreement that the clubs in organized baseball will not operate in the territory of another club without the consent of the club and the league of which the club is a member.24

On the subject of the reserve clause, Ford Frick stated, “basically it is a long-term contract, which is nothing unusual where distinctive personal services are contracted.”25

Basically, a MLB player is signed to a lifelong contract unless management decides to trade, release or demote them to another team. Before March 1st of the upcoming baseball year, salaries are negotiated between management and players. If an agreement is not reached, the

24 Study of Monopoly Power, 29
25 Study of Monopoly Power, 29
player will be locked into another contracted year for no less than 75 percent of the preceding year’s salary. With no free agency for players, the result was lower player morale and increased profits for team owners.

Revenue

Admissions, concessions, radio, and advertisements inside the ballparks were forms of revenue for MLB teams with gate admissions being the largest. To illustrate the revenue sharing process, President Frick put it simply:

Based on a 50-cent theory for illustrating purposes, the visiting club gets 25 cents on the admission and the home club gets the other 25 cents plus anything that might accrue in the way of advanced prices on their bleacher or box seats. Out of that 25 cents, five cents going to the league with each team paying $2.50 cents. Any other revenues, concessions, advertising or radio went directly to the home team.

When describing income and revenue distribution to Congress in 1951, MLB teams divided the revenue and expense information into operating income and expenses, such as the cost of acquiring players and absorbing farm-system losses. The net operating income was the difference between gross operating income and gross operating expenses. Table 2.1 illustrates seat revenue by league and Table 2.2. represents consolidated profits and loss statements for 1943:

---

26 Study of Monopoly Power, 29-30.
27 Refer the chapter three footnotes for further information about reduction of salaries. For further explanation of free agency see Landmark Decisions of the United States Supreme Court V, 117-120.
28 Hill, Bob. Crack of the Bat: The Lousiville Slugger Story. (Champaign, Il: Sports Publishing Inc, 2000), 14. In the early part of the 20th century, Bull Durham Tobacco advertising signs were featured on the outfield fences of most major and minor league ballparks. Since the signs were generally located near the area where relief pitchers warmed up prior to entering games, the word “bullpen” resulted from this association. The company offered a $25 reward to any hitter who could hit a ball off the sign.
29 Study of Monopoly Power, 77. Because Mr. Frick was the President of the National League his knowledge of individual statistics would not be as accurate on each team.
30 Surdam, Wins, Losses and Empty Seats, 22.
Table 2.1. **Seating Capacities, Price Ranges for Major League Clubs**

<table>
<thead>
<tr>
<th>American League</th>
<th>Bost</th>
<th>Chic</th>
<th>Cleve</th>
<th>Det</th>
<th>NY</th>
<th>Phil</th>
<th>St. Louis</th>
<th>Wash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Box Seats…………</td>
<td>$2.40</td>
<td>$2.00</td>
<td>$2.50</td>
<td>$2.50</td>
<td>$3.00</td>
<td>$2.75</td>
<td>$2.25</td>
<td>$2.50</td>
</tr>
<tr>
<td>Reserved Grandstand</td>
<td>1.80</td>
<td>1.50</td>
<td>1.65</td>
<td>1.65</td>
<td>2.00/1.75</td>
<td>2.00</td>
<td>1.85</td>
<td>1.75</td>
</tr>
<tr>
<td>General Admission….</td>
<td>1.20</td>
<td>1.25</td>
<td>1.25</td>
<td>1.25</td>
<td>1.25</td>
<td>1.30</td>
<td>1.35</td>
<td>1.25</td>
</tr>
<tr>
<td>Bleachers…………</td>
<td>.60</td>
<td>.60</td>
<td>.60</td>
<td>.60</td>
<td>.60</td>
<td>.75</td>
<td>.75</td>
<td>.60</td>
</tr>
<tr>
<td>Pavilion…………</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>National League</td>
<td>Bost</td>
<td>Bro</td>
<td>Chi</td>
<td>Cin</td>
<td>NY</td>
<td>Phil</td>
<td>Pit</td>
<td>St. Louis</td>
</tr>
<tr>
<td>Box Seats…………</td>
<td>$2.40</td>
<td>$3.00</td>
<td>$2.50</td>
<td>$2.20</td>
<td>$3.00</td>
<td>$2.75</td>
<td>$2.25</td>
<td>$2.25</td>
</tr>
<tr>
<td>Reserved Grandstand</td>
<td>1.80</td>
<td>1.70</td>
<td>1.75</td>
<td>2.05</td>
<td>2.00</td>
<td>1.85</td>
<td>1.85</td>
<td>-</td>
</tr>
<tr>
<td>General Admission….</td>
<td>1.20</td>
<td>1.25</td>
<td>1.25</td>
<td>1.25</td>
<td>1.25</td>
<td>1.30</td>
<td>1.35</td>
<td>1.35</td>
</tr>
<tr>
<td>Bleachers…………</td>
<td>.60</td>
<td>.60</td>
<td>.60</td>
<td>.60</td>
<td>.75</td>
<td>.75</td>
<td>.75</td>
<td>.75</td>
</tr>
<tr>
<td>Pavilion…………</td>
<td>1.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Source: *Study of Monopoly Power*, 1640

Table 2.3. **Consolidated profit-and-loss statements, Major Leagues, 1943**

<table>
<thead>
<tr>
<th></th>
<th>American League</th>
<th>National League</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Games at home……………</td>
<td>$2,778,522</td>
<td>$3,212,781</td>
<td>$5,991,303</td>
</tr>
<tr>
<td>Away Games………………</td>
<td>1,052,622</td>
<td>892,110</td>
<td>1,944,732</td>
</tr>
<tr>
<td>Exhibition Games………..</td>
<td>169,397</td>
<td>145,578</td>
<td>314,975</td>
</tr>
<tr>
<td>Radio……………………</td>
<td>280,200</td>
<td>445,000</td>
<td>725,200</td>
</tr>
<tr>
<td>Concessions (net)………</td>
<td>441,725</td>
<td>638,192</td>
<td>1,079,917</td>
</tr>
<tr>
<td>Gross Operating Income…</td>
<td>$5,117,088</td>
<td>$5,733,175</td>
<td>$10,850,263</td>
</tr>
<tr>
<td>Gross Operating Expenses</td>
<td>4,345,328</td>
<td>4,739,020</td>
<td>9,084,348</td>
</tr>
<tr>
<td>Net Operating Income…</td>
<td>$772,059</td>
<td>$994,155</td>
<td>$1,766,214</td>
</tr>
<tr>
<td>Cost of Player contracts</td>
<td>591,208</td>
<td>720,307</td>
<td>1,311,515</td>
</tr>
<tr>
<td>Net income before taxes</td>
<td>$180,852</td>
<td>$273,848</td>
<td>$454,700</td>
</tr>
<tr>
<td>Farm losses……………</td>
<td>130,321</td>
<td>256,936</td>
<td>387,257</td>
</tr>
<tr>
<td>Consolidated net income before taxes</td>
<td>$50,531</td>
<td>$16,912</td>
<td>$67,443</td>
</tr>
<tr>
<td>Income taxes…………</td>
<td>155,236</td>
<td>152,231</td>
<td>307,467</td>
</tr>
<tr>
<td>Consolidated net income</td>
<td>($104,705)</td>
<td>($135,319)</td>
<td>($240,024)</td>
</tr>
<tr>
<td>Dividends……………</td>
<td>39,650</td>
<td>96,226</td>
<td>135,876</td>
</tr>
<tr>
<td>Retained earnings……</td>
<td>($143,995)</td>
<td>($231,445)</td>
<td>($375,440)</td>
</tr>
</tbody>
</table>

Source: *Study of Monopoly Power*, 1394.
Franchise Value

To determine a club’s franchise value, the expected future profitability would have to be theoretically determined. Most teams were sold infrequently, so franchise values were established only sporadically. In some cases no sales were reported. In other cases, the quoted sales price was equivalent to a guess. A franchise’s attendance records, win/loss records, player rosters, and location determined what owners would ask or pay. A good comparison would be the New York Yankees and St. Louis Browns. New York possessed three million more people than St. Louis. Table 2.2 reflects the metropolitan population per MLB club.

Table 2.2. Metropolitan Population per Club, Major Leagues [in thousands]

<table>
<thead>
<tr>
<th>American League</th>
<th>1930</th>
<th>1940</th>
<th>1950</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>3617</td>
<td>3897</td>
<td>4277</td>
</tr>
<tr>
<td>Detroit</td>
<td>2105</td>
<td>2296</td>
<td>2973</td>
</tr>
<tr>
<td>Chicago</td>
<td>2182</td>
<td>2250</td>
<td>2738</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>1424</td>
<td>1449</td>
<td>1830</td>
</tr>
<tr>
<td>Washington</td>
<td>621</td>
<td>908</td>
<td>1458</td>
</tr>
<tr>
<td>Cleveland</td>
<td>1195</td>
<td>1215</td>
<td>1454</td>
</tr>
<tr>
<td>Boston</td>
<td>1154</td>
<td>1175</td>
<td>1177</td>
</tr>
<tr>
<td>St. Louis</td>
<td>647</td>
<td>684</td>
<td>857</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Census based on 1900 United States Census in Study of Monopoly Power, 1594

Not all MLB teams were in good financial standing by the end of 1941. The Philadelphia Phillies were the only team on the verge of bankruptcy, and NL team owners held a special meeting to discuss purchasing a controlling interest. The Congressional committee questioned the ethics of having MLB team owners invest in a rival baseball club. NL President Frick stated it was a temporary solution until other investors could be found. This point was illustrated to support the notion that baseball kept its troubles and successes internal.

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31 Surdam, Wins, Losses and Empty Seats, 23.
32 Both cities employed two teams for comparison
33 Baseball Hall of Fame, National League War Files Owner Meeting Minutes. Cooperstown, NY. December 11, 1941.
Concessions

The majority of MLB teams sold concession rights to third party vendors, such as The Stevens Brothers, making definitive sales figures hard to determine.\(^{34}\) The difference between turning a profit and incurring a loss sometimes depended on concessions since it represented a large portion of MLB team’s total revenue.\(^{35}\) In determining concession revenue, attendance at games with discounted tickets, free passes for military personnel, and victory scrap or fats drive, concessionaires forecasted profits on a per-capita basis at roughly fifteen cents per game, and twenty-two cents for double headers. The Jacob Brothers firm (a third party concessionaire) also made a profit of half a cent per dime on hot dogs and one cent in soft drinks.\(^{36}\) Concession revenue in relation to other revenue streams from 1929 – 1950 is listed in Table 2.3:

| Source: Study of Monopoly Power, p 1607. |

Table 2.3. Sources of Major-league Revenue (by percent of gross)

| Source: Study of Monopoly Power, p 1607. |

<table>
<thead>
<tr>
<th>Sources of Major-league Revenue (by percent of gross)</th>
<th>1929</th>
<th>1933</th>
<th>1939</th>
<th>1943</th>
<th>1946</th>
<th>1950</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Income......</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Baseball Games......</td>
<td>87.6</td>
<td>85.4</td>
<td>79.7</td>
<td>76</td>
<td>82.5</td>
<td>74.1</td>
</tr>
<tr>
<td>Home Games.......</td>
<td>62.4</td>
<td>57.4</td>
<td>55.9</td>
<td>55.2</td>
<td>60.5</td>
<td>57.2</td>
</tr>
<tr>
<td>Road Games.........</td>
<td>21.1</td>
<td>23.1</td>
<td>19.2</td>
<td>17.9</td>
<td>17.5</td>
<td>14.1</td>
</tr>
<tr>
<td>Exhibition Games</td>
<td>4.1</td>
<td>5.1</td>
<td>4.6</td>
<td>2.9</td>
<td>4.5</td>
<td>2.8</td>
</tr>
<tr>
<td>Radio/Television</td>
<td>-----</td>
<td>0.3</td>
<td>7.3</td>
<td>6.7</td>
<td>3.0</td>
<td>10.5</td>
</tr>
<tr>
<td>Concessions (Net)…</td>
<td>5.5</td>
<td>6.4</td>
<td>7.0</td>
<td>10.0</td>
<td>8.7</td>
<td>9.2</td>
</tr>
<tr>
<td>Other…………………</td>
<td>6.9</td>
<td>7.9</td>
<td>6.0</td>
<td>7.3</td>
<td>5.8</td>
<td>6.2</td>
</tr>
</tbody>
</table>

\(^{34}\) Surdam, *Wins, Losses and Empty Seats.* 47.  
\(^{35}\) Surdam, *Wins, Losses and Empty Seats.* 46.  
\(^{36}\) Whitman, Howard “Selling the Crowds,” *Saturday Evening Post,* April 11, 1942, 62. The history of the hot dog started on a cold day when Concessionaire Harry Stevens sent a squad of boys to buy all the dachshund sausages in the near-by butcher shops and as many rolls as they could find in the bakeries. When they returned he sliced open a roll and put a boiled sausage in it and within half an hour his vendors were scampering through the stands shouting, “They’re red hot! Get your dachshund sausages while they’re red hot!” Tad Dorgan, the cartoonist, was at the game. He drew a cartoon featuring the new delicacy, but, as the story goes, he didn’t know how to spell “dachshund” so he simply put down “hot dog.”
Radio

Owners discussed radio broadcasting rights at most of their annual meetings between 1928 and 1934. MLB team owners were reluctant to embrace radio broadcasts because people would stay home and listen to the games instead of coming to the ball parks. Radio transmissions were free of charge to the general public, so MLB team owners decided to charge radio stations for broadcasting rights before each the season. The larger cities charged a higher premium but the revenue stayed relatively balanced. Local businesses advertised on radio with no additional income for MLB. Chicago Cubs owner Phil Wrigley supported this sentiment: “I think that was the general idea – if people could hear the baseball game they wouldn’t go out and see the game, and therefore it affected their attendance, and that was the reason they should be reimbursed for it.”

From 1941 – 1944, MLB team owners sold broadcasting rights to local radio stations for $100,000 annually as fixed revenue. Although radio was beneficial to the fans and profitable to MLB team owners, Minor League Baseball team owners blamed MLB broadcasts for the decrease in attendance. This argument is difficult to quantify since there is no direct correlation between attendance figures and radio broadcasts without polling the fans with specific questions as to why they attended fewer minor league games.

37 Surdam, Wins, Losses and Empty Seats, 198.
38 Study of Monopoly Power, 741-749. This statement by Phil Wrigley represented the consensus of all owners and was based on pure speculation.
39 Owners meetings, 1941 - 1944
40 Surdam, Wins, Losses and Empty Seats, 199.
Chapter Three

Major League Baseball Keeps Going

“I honestly feel that it would be best for the country to keep baseball going.”

– President Franklin D. Roosevelt

In 1940, MLB teams owners were well aware that beyond the loss of their top talent, the very survival of the game might be viewed as a wasteful frivolity if America went to war. A few moves to store up goodwill, therefore, were in order. Playing all-star games for relief benefits and admitting servicemen free of charge into ballparks was the first gesture. However, after the bombing of Pearl Harbor on December 7, 1941, MLB witnessed a reshaping of the way the game was perceived. Not to make the same mistake as previous owners did during the First World War, NL president Ford Frick wired Roosevelt a pledge of “complete cooperation and assistance in this time of crisis. We are yours to command.” The next day, at the NL team owners meeting, Frick stated: “It seems to me that we are in a position where baseball, as well as everything else, must take cognizance of this thing that is going on, and where we have to definitely, finally, and honestly put ourselves on the right side from the very beginning.” Not repeating the mistake of asking for player exemptions during the First World War, all the owners responded unanimously with a “yes.”

Although baseball owners seemed anxious about pledging their patriotism, side conversations occurred about how military recruiting of manpower into the army camps would be beneficial. Robert Quinn, representing the National League Baseball Club of Boston, suggested appointing a committee to “propose organizing baseball clubs in different army

43 MLB, *Owners Meeting Minutes*, December 9, 1941. 8.
camps...because if we leave those boys down there and they don’t play baseball for a couple of years, when they come out they are not going to be worth a nickel to us.” Branch Rickey, the Vice-President of the St. Louis National Baseball Club, supported Quinn’s statement: “we can get more returns from organizing efficiently, spending some money, and popularizing ourselves now… these camps are not here just for today; I think most of them will be here for some years to come.”44 Without any reluctance to the idea, all of the owners, including the league president, accepted it with more emphasis placed on public perception. With the team owners agreeing on the new proposal, the question of funding it became another matter.

**Baseball in Training Camps**

Because of the isolation of military bases, building baseball diamonds in the open fields inside the base would offer servicemen a chance to play baseball.45 Providing equipment and resources for construction would cost money and MLB team owners were not going to pay out of pocket. Leo J. Bondy, Vice President of the New York Base Ball Club, suggested taking the revenue from the All-star Game and investing it entirely in baseball equipment for various camps. Branch Rickey supported the idea: “the advertising value of this idea would be very substantial and would have a very heartening effect and would be given wide publicity by the U.S.O. people themselves.”46 To further strengthen the argument for this idea, Larry S. MacPhail, Executive Vice President and General Manager of the Brooklyn National League Baseball, stated:

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44 *Owners Meeting minutes*, December 9, 1941. 54-57. Branch Rickey was one of the most influential owners during his time on baseball. His innovation of the farm system in the 1920s and integration of Negro players in 1945 would change operations for baseball forever. Commissioner Landis animatedly disapproved of both of these but would eventually lose both battles.

45 *Owners Meeting minutes*, December 9, 1941. 67.

46 *Owners Meeting minutes*, December 9, 1941. 68-70.
There is no question but what, if we do this as an unselfish gesture, the public will not only support it, but will welcome the opportunity to make a reasonable contribution, and I think that you can substantially increase prices, and still sell out the game. We are not at home at the time… and I think the income could be safely figured on in advance as being nearer $100,000 than $58,000.\textsuperscript{47}

Most of the baseball diamonds near military baseball would have to be built from scratch and at the suggestion of James Gallagher, General Manager of the Chicago National League Base Ball Club, MLB was to volunteer the ballpark’s groundkeepers in assisting with the specifications and upkeep of these future ball fields. The entire strategy was formulated and proposed to the American League at the joint meeting, to be endorsed and then approved by the commissioner.

This plan would work out well for MLB team owners since baseball players would soon be drafted into the military. Having existing facilities already set up for the soldiers, drafted players would now be able to play and minimize the chance of deploying overseas. Many of the players would be able to coach and organize baseball teams on the home front bases to keep their skills from diminishing and provide opportunity for soldiers to play. This advertising tool would strengthen the bond between the baseball fan and MLB for the years during and after the war.\textsuperscript{48}

\textsuperscript{47} Owners Meeting minutes, December 9 1941. 71. Larry MacPhail was another influential figurehead in baseball. He was the first to install lights for the Cincinnati Red Stockings in 1935, first to broadcast baseball games over the radio in 1937 and served as a Lieutenant Colonel as assistant to the Under Secretary of War from Oct 1942 – Feb 1945.

\textsuperscript{48} Owners Meeting minutes, December 9, 1941. 56-57. The only player to see combat during World War II was Gerald Francis "Jerry" Coleman who played 2\textsuperscript{nd} base for the New York Yankees. (While Ted Williams served during both WWII and Korea, he flew combat missions only in the Korean War). For more on Ted Williams see Jack Cavanaugh, \textit{Season of ’42 Joe D, Teddy Ballgame and Baseball’s Fight to Survive a Turbulent First Year of the War}. (Delaware: Sky House Publishing, 2012).
The Green Light Letter

In the days after the Pearl Harbor attack, the National League team owners continued with business as usual in the off-season, with a few tentative patriotic programs installed for public perception. No discussion in the December NL team owner meetings were about whether or not baseball should continue while the country was at war. Were the owners so confident in baseball’s status that the notion of suspending the game during wartime was not even mentioned? They expressed their concerns in 1940 about the possibility of baseball closure, but now they only planned how to utilize war programs to bolster their public appeal. It was business as usual until January 15, 1942 when President Roosevelt would determine MLB’s future.

Understanding the challenges faced by an America at war, Commissioner Landis, at the urging of AL and NL presidents, wrote a letter on January 14, 1941 to President Roosevelt about the status of MLB during the war. The letter, in summary, states: “However, in as much as there are not ordinary times, I venture to ask what you have in mind as to whether professional baseball should continue to operate.”

Commissioner Landis and President Roosevelt did not have a close relationship, which is one of the primary reasons why Landis waited so long to write the President. Washington Senators owner Clark Griffith believed that MLB should reach out to the Oval office before

\[49\] Image of the letter can be found in the illustrations section
drastic decisions were made. Shirley Povich, the former sports editor and columnist of the

*Washington Post*, who covered the Senators for thirty years, recalled Griffith’s role:50

Whereas Landis got the green light from Roosevelt, it was all inspired by Clark Griffith. That fact is that Landis despised Roosevelt and Roosevelt didn’t care much for Landis…Griffith always talked to the president because he automatically went to the White House every opening day to present him with his pass, and the president always came out to the opening game. Griffith was the one who persuaded Roosevelt to take this action.51

On January 15th, Roosevelt responded to Landis with The Green Light Letter:

I honestly feel that it would be best for the country to keep baseball going. There will be fewer people unemployed and everybody will work longer hours and harder than ever before… I hope that night games can be extended because it gives an opportunity to the day shift to see a game occasionally. And that means that they ought to have a chance for recreation and for taking their minds off their work even more than before.52

With the support of the president, MLB would now continue throughout the war, but Roosevelt’s interest in night games would provide team owners arguments for a long time.

**Night Games**

Before the start of every season from 1935 until 1942, team owners voted on the number of night games played inside the ballparks with lights already installed. The season schedule was created to ensure that night games would favor both teams with no team exceeding the allotted number of night games. In 1941, lights were already installed in almost every ballpark with the exception of Wrigley Field in Chicago (NL), Fenway Park in Boston (AL & NL) and Briggs

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52 President Roosevelt asked for each team play seven night games. Image of the letter can be found in illustrations section.
Stadium in Detroit (AL).\textsuperscript{53} Table 3.1. shows the years MLB teams began night and Sunday games so workers could go to games:

Table 3.1. \textbf{Years in Which Major League clubs began playing Sunday and night games}

<table>
<thead>
<tr>
<th>American League</th>
<th>Sunday Games</th>
<th>Night Games</th>
<th>National League</th>
<th>Sunday Games</th>
<th>Night Games</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boston……………</td>
<td>1929</td>
<td>\textbf{1947}</td>
<td>Boston……………</td>
<td>1929</td>
<td>\textbf{1946}</td>
</tr>
<tr>
<td>Chicago………….</td>
<td>1901</td>
<td>1939</td>
<td>Brooklyn………….</td>
<td>1919</td>
<td>\textbf{1938}</td>
</tr>
<tr>
<td>Cleveland……….</td>
<td>1911</td>
<td>1939</td>
<td>Chicago………….</td>
<td>1892</td>
<td>-</td>
</tr>
<tr>
<td>Detroit………….</td>
<td>1910</td>
<td>\textbf{1948}</td>
<td>Cincinnati………</td>
<td>1892</td>
<td>1935</td>
</tr>
<tr>
<td>New York………..</td>
<td>1919</td>
<td>\textbf{1946}</td>
<td>New York………..</td>
<td>1919</td>
<td>\textbf{1940}</td>
</tr>
<tr>
<td>Philadelphia…..</td>
<td>1934</td>
<td>1939</td>
<td>Philadelphia…..</td>
<td>1934</td>
<td>1939</td>
</tr>
<tr>
<td>St. Louis……….</td>
<td>1902</td>
<td>1940</td>
<td>Pittsburgh………</td>
<td>1934</td>
<td>1940</td>
</tr>
<tr>
<td>Washington……..</td>
<td>1918</td>
<td>1941</td>
<td>St. Louis……….</td>
<td>1892</td>
<td>1940</td>
</tr>
</tbody>
</table>


The teams not playing home night games during the war would be Brooklyn Dodgers (Ebbets Field) and New York Giants (Polo Grounds).\textsuperscript{54} In May 1942, New York City police Commissioner Lewis J. Valentine received orders from Headquarters of the 2nd Corps to dim-out NYC while leaving the stadium lights on for testing of ship silhouettes.\textsuperscript{55} The results showed that stadium lights created silhouettes and on May 28 1942, \textit{The Sporting News} reported that all night games in New York would be blacked out.\textsuperscript{56} The blackout lasted until 1944, but due to the arrangement of schedules, the New York teams could play their night games in other fields and still count toward their goal of seven night games.

The revenue impact was enormous. During the blackout, the New York Giants at Polo Grounds incurred a loss of $248,973 in 1943. Once the blackout was lifted in 1944, profits

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{53} Briggs Stadium was named after team owner Walter Owen Briggs, Sr. (February 27, 1877 – January 17, 1952).
\item \textsuperscript{54} Years are italicized in Table 3.1. Yankee stadium did not have lights until 1946 and was not affected by the blackout.
\item \textsuperscript{55} Editorial, “N.Y. in Dark on Arcs; Will Test Twilight,” \textit{The Sporting News}, May 7 1942. Dates are italicized in table
\item \textsuperscript{56} Editorial, “Army Blacks out Night Ball in New York” \textit{The Sporting News}, May 28 1942.
\end{itemize}
\end{footnotesize}
increased to a gain of $53,489.\textsuperscript{57} Night baseball attendance is attributed with this dramatic shift in profits. Even with financial gains from MLB night games, team owners consistently argued that energy costs and maintenance of lighting systems would create negative income.

MLB team owners discussed the topic of energy efficiency, electricity costs, and stadium blackout impact in the December 1941 winter meetings. Team owners began to argue about the cost-effectiveness of a possible increase in night games. NL President Ford Frick stated in the owners meeting that although he did not support the idea of night games, studies proved that night games did not cause an increase in electricity compared the average home. Justifying his statement, Frick read a report by a light company in Pennsylvania found that night games consumed 60 percent of power than people just staying home. The Westinghouse Electric Company also produced figures proving than fans would burn more electricity reading individually in their homes than attending night games.\textsuperscript{58} The owners could not argue the evidence presented to them. With the electricity usage picture favoring baseball, the argument to reduce night games based upon electricity consumption fade away.

The vital manner of concessions and revenue during night games entered the discussion. According to an analysis in May 1942 by Frank Stevens of Steven Brothers Concessions, a crowd of 40,000 baseball fans on a Sunday afternoon will consume twice as much food and drinks as 40,000 nighttime fans. Perhaps the night fan came after his dinner and avoided the heat so drinks were not as much in demand under the lights.\textsuperscript{59} Team owners were well aware of this possible fact and voted for the reduction of night baseball games even after President Roosevelt requested more night games. In 1942, as the American public went about consumption pretty

\textsuperscript{57} Study of Monopoly Power, 1600.
\textsuperscript{58} Owner Meeting Minutes. December 9, 1941, 81. Mead. Baseball Goes to War, 38.
much as usual, a series of shortages loomed upon the horizon, each followed by the disappearance of another amenity of civilian life.\textsuperscript{60} MLB fans would find themselves working long hours in defense industry plants with nowhere to spend their money because of rationing during the war. With money to spend and more night games available, the American public eventually turned to MLB for food and beverage as well as entertainment.

Although the owners opposed night baseball in almost every facet, the benefits from night games were enormous and would lead owners to lobby for more in the future. In 1944, pressure from Washington government circles forced Clark Griffith to request more night games. The NL team owners granted Griffith more night games on the contingent of reverting back to the seven games after the war.\textsuperscript{61} According to the consolidated profit and loss statements of the Washington Senators from 1943-1944, there was an increase of 51\% in revenue.\textsuperscript{62} Table 3.2 shows the population for Washington D.C. over a twenty year period with significant increases of 62\% from 1940 through 1950. This is the largest in MLB for that time period.

<table>
<thead>
<tr>
<th>American League</th>
<th>1930</th>
<th>1940</th>
<th>1950</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>3617</td>
<td>3897</td>
<td>4277</td>
</tr>
<tr>
<td>Detroit</td>
<td>2105</td>
<td>2296</td>
<td>2973</td>
</tr>
<tr>
<td>Chicago</td>
<td>2182</td>
<td>2250</td>
<td>2738</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>1424</td>
<td>1449</td>
<td>1830</td>
</tr>
<tr>
<td>Washington</td>
<td>621</td>
<td>908</td>
<td>1458</td>
</tr>
<tr>
<td>Cleveland</td>
<td>1195</td>
<td>1215</td>
<td>1454</td>
</tr>
<tr>
<td>Boston</td>
<td>1154</td>
<td>1175</td>
<td>1177</td>
</tr>
<tr>
<td>St. Louis</td>
<td>647</td>
<td>684</td>
<td>857</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Census based on 1900 United States Census in \textit{Study of Monopoly Power}, 1594


\textsuperscript{61}Owners Meeting minutes, July 12, 1943, 10-25. Ironically, Chicago Cubs owner Phil Wrigley was one of the strongest advocates to supporting the increase in games for the Washington Senators even though his team would not have lights until 1988. Wrigley believed that you could “build good will by showing a willingness to go along...just to extend it for the remainder of this year.”

\textsuperscript{62}\textit{Study of Monopoly Power}, 1599.
With support from Washington via The Green Light Letter and restrictions not yet imposing on daily operations, MLB owners believed the game would endure the war with minimal losses and resume operations as they had in the 1930s. They were wrong. By 1948, every MLB team, with one exception, would have lights installed (Wrigley Field installed lights in 1988) making night baseball permanent MLB.
Chapter Four
War Ball

“If there ever has been any doubt that baseball is the national pastime, President Roosevelt’s O.K. of the sport for the duration should settle it for all time” – Warren Brown, The Sporting News

America’s involvement in World War II brought sacrifices to the America people on the home front with restrictions, price adjustments, and rationing. For MLB, the spring of 1942 would be the last time the teams would train in warm weather climates, play with a regulation bat and ball, and travel in the special Pullman sleepers.63 MLB owners would find a way to benefit from self-imposed austerity without ever being questioned by the government or the fans.

The Balata Ball

When Japan seized Malaya and the Dutch East Indies, the occupiers cut off almost all of the nation’s rubber supplies. The federal government then banned use of both crude and scrap rubber in nonessential items.64 Since the baseball’s center consisted of 100% rubber, a viable substitute was need. The MLB commissioner’s office asked A.G. Spalding & Brothers to manufacture a ball using non-essential materials, but one which still had the same resiliency as the 1939 ball.65 The substitute baseball consisted of a binder of ground cork and balata, a material obtained from the hides of gold ball covers and telephone cable insulation.66 The results were disastrous. Fans protested the lack of homeruns, and extended base hits. Ball players

63 Cavanaugh, Season of ’42, 21.
64 Goldstein, Spartan Seasons, 130.
65 Goldstein, Spartan Seasons, 131.
66 Editorial, “Majors Agree on Wartime Baseball, Made Without Use of Critical Materials” The Sporting News, March 11 1943. Balata is actually one of the names of a tree that grows in Central and South America and the Caribbean. The tree is tapped and the soft, viscous fluid that hardens into the rubber-like material.
complained in *The Sporting News*. In the December 1-2 1942 winter meeting, NL team owners discussed the direct correlation of the balata ball to the low numbers in scoring, batting averages, and attendance. With MLB obligated to a twenty-five year Spalding contract and no other alternative, team owners began to pressure the commissioner’s office for another replacement to the *balata* ball.

When the 1944 season arrived, Spalding received government permission to replace the *balata* with synthetic rubber. Although Spalding Brothers would unveil a ball superior to the original *balata* ball, its relationship with MLB was severely damaged. National League team owners discussed not signing another twenty-five year contract with Spalding Brothers (signed in 1921 and set to expire in 1946) based on the mystery surrounding the creation of baseballs, performance of the *balata* ball, and contractual immunity for a quarter decade. Horace C. Stoneham suggested manufacturing baseballs by the major leagues themselves. A paid MLB representative would go into the manufacturing factories to ensure a quality ball.

The rationing of rubber during World War II and multiple requests by MLB to Spalding Brothers for a substitute ball encouraged competition by the baseball manufacturers. Instead of signing a contract with one company for a quarter century and suffering with inferior products at high costs, MLB would offer short-term contracts to multiple manufactures, which reduced annual contractual costs of making balls.

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67 Owners used a similar “dead” ball in 1931 to reduce the offensive statistics of players, which would result in a reduction of salaries based on player’s performance. The results were disappointing with National League attendance falling by 15.8 percent between 1930 and 1931, while the American League attendance fell by 17.1 percent. Surdam, David George. *Wins, Losses and Empty Seats*, 253.
68 *Owners Meeting minutes*, Dec 1-2, 1942. 63-72
70 *Owners Meeting minutes*, Dec 1-2, 1944. 210-218. Stoneham was the President of the National Exhibition Company operating the New York Ball Club.
The Wooden Bat

For two years, The Sporting News reported the balata ball debates about the statistics, pace of the game, and player morale. Baseball bats, however, did not have to be made in large amounts, and substitutions in manufactured wood were only noticeable off the field. The Hillerich and Bradsby Company (later Louisville Slugger Corporation) manufactured wooden baseball bats for all baseball leagues and did not want the same negative outcome as the Spalding Brothers. Labor shortages in the great lumber fields of the Pacific Northwest, combined with heightened wartime demands for pulp, made it difficult to produce bats containing high quality wood. According to Jack Norton, president of Louisville Slugger's timber division, “Basically, it came down to the company getting a little smarter. Ok, the better ash is coming from here so we better get focused…we better control that spot.” The Hillerich & Bradsby Company produced a substitution for Pacific Northwestern ash wood before MLB requested an alternative. Most of the ash used in baseball bats during the war came from southern states. Southern ash trees grew quicker making them lighter but not as strong. Very little problems from wood-substituted baseball bats and as a result, Hillerich & Bradsby was honored by Army-Navy officials with an “F” award for military effort.

Transportation

Confronted with Defense Transportation Director Joseph B. Eastman’s cutting 36,000 travel miles during the regular season, MLB teams owners met government demands by relocating spring training. Compounding the reduction in travel miles, Commissioner Landis

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71 Goldstein, Spartan Seasons, 131.
73 The “F” award is the highest civilian business award given during war time.
issued a statement that all MLB baseball games would be played north of the Ohio and Potomac rivers and east of the Mississippi River (except for both St. Louis clubs). Table 4.1 reflects training camp locations:

<table>
<thead>
<tr>
<th>American League</th>
<th>Location</th>
<th>National League</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boston</td>
<td>Medford, MA</td>
<td>Boston</td>
<td>Wallingford, CT</td>
</tr>
<tr>
<td>Chicago</td>
<td>French Lick, IN</td>
<td>Brooklyn</td>
<td>Bear Mountain, NY</td>
</tr>
<tr>
<td>Cleveland</td>
<td>Lafayette, IN</td>
<td>Chicago</td>
<td>French Lick, IN</td>
</tr>
<tr>
<td>Detroit</td>
<td>Evansville, IN</td>
<td>Cincinnati</td>
<td>Bloomington, IN</td>
</tr>
<tr>
<td>New York</td>
<td>Ashbury Park, NJ</td>
<td>New York</td>
<td>Lakewood, NJ</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>Hershey, PA</td>
<td>Philadelphia</td>
<td>Hershey, PA</td>
</tr>
<tr>
<td>St. Louis</td>
<td>Cape Girardeau, MO</td>
<td>Pittsburgh</td>
<td>Muncie, IN</td>
</tr>
<tr>
<td>Washington</td>
<td>College Park, MD</td>
<td>St. Louis</td>
<td>Cairo, IL</td>
</tr>
</tbody>
</table>

Source: Spink, *Baseball Guide and Record Book 1943*, 171

With travel restrictions, baseball players mixed with soldiers and common citizens on public trains. Sometimes awestruck riders couldn’t believe they were eating in the same car as Ted Williams or Joe DiMaggio. This reduction in travel privileges benefited team owners since MLB teams were taxed on railroad and Pullman car fares. Table 4.2 reflects the per person cost:

---

Table 4.2. **American League Jumps from Boston based on per person**

<table>
<thead>
<tr>
<th>To</th>
<th>Miles</th>
<th>R.R. – Pullman</th>
<th>Tax</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>1,019</td>
<td>$40.85</td>
<td>$2.05</td>
<td>$42.90</td>
</tr>
<tr>
<td>Cleveland</td>
<td>679</td>
<td>27.00</td>
<td>1.36</td>
<td>28.36</td>
</tr>
<tr>
<td>Detroit</td>
<td>745</td>
<td>30.18</td>
<td>1.51</td>
<td>31.69</td>
</tr>
<tr>
<td>New York</td>
<td>260</td>
<td>10.25</td>
<td>.51</td>
<td>10.76</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>351</td>
<td>13.20</td>
<td>.66</td>
<td>13.86</td>
</tr>
<tr>
<td>St. Louis</td>
<td>1,212</td>
<td>48.50</td>
<td>2.43</td>
<td>50.93</td>
</tr>
<tr>
<td>Washington</td>
<td>486</td>
<td>18.90</td>
<td>.95</td>
<td>19.85</td>
</tr>
</tbody>
</table>


The total amount of savings may be calculated for an 18-26 man roster to play 73-78 away games. 78

Concurrent with MLB’s forced restrictions, baseball fans would rely heavily upon public transportation and walking as means for attending baseball games. To enforce this difficult adjustment, the Office of Price Administration (OPA) sent employees to loiter around stadiums, copying down license numbers of out-of-county cars on the theory that just getting to the athletic spectacle was per se pleasure driving. 79 This method was not heavily enforced since all ballparks were centrally located within each city, making access to attending day and night games more feasible. 80 Civilians spent less money on travel, earned higher wages in defense jobs, and followed wartime rationing, which meant increased spending on concessions at baseball games and higher attendance numbers. Major League Baseball, along with Hollywood movies, provided the main sources of entertainment for the American public. See Table 2.3 and Table 5.1 for specific figures.

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79 Lingeman, *Don’t You Know There Is A War Going On*, 240.

80 Mead, *Baseball Goes to War*, 82.
War Bonds

After receiving The Green Light Letter from President Roosevelt in January 1941, MLB officials of all sixteen clubs announced setting aside 10 percent of their salaries for purchase of war bonds and urged players to do the same.\textsuperscript{81} Fans could purchase war bonds as substitute for gate admission and sit according to the value of bond purchased. In an effort to increase bond sales, MLB team owners enlisted retired ballplayers to trot out periodically and hype the gate at benefit affairs by competing in pregame contests to amuse the fans.\textsuperscript{82} MLB team owners were hesitant on selling war bonds as admission substitution, which is reflected in poor bond sales figures for 1943 reflected in Table 4.3.\textsuperscript{83}

<table>
<thead>
<tr>
<th></th>
<th>Brooklyn</th>
<th>$50,000.00 (in Park)</th>
<th>$450,000.00 via radio appeal during games</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td></td>
<td></td>
<td>13,666.50</td>
</tr>
<tr>
<td>Pittsburgh</td>
<td></td>
<td></td>
<td>14,606.10</td>
</tr>
<tr>
<td>New York</td>
<td></td>
<td></td>
<td>24,385.10</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$102,657.70</td>
</tr>
</tbody>
</table>


After two years, the efforts of MLB’s war bond drive did not provide enough financial contributions for the Treasury Department and drastic changes would have to be made.

Before the beginning of the 1944 season, the Treasury Department asked MLB to sell more bonds of smaller value. Compounding the Treasury Department request, President Frick read a letter sent by Larry MacPhail (who now was serving as a Lt. Col. for the War Department Under Secretary) to Clark Griffith regarding MLB and possible implementation of the national

\textsuperscript{81} Goldstein, \textit{Spartan Seasons}, 64.
\textsuperscript{82} Goldstein, \textit{Spartan Seasons}, 69.
\textsuperscript{83} Only the 1943 Bond sales figures were available in the NL War Files.
selective service act. In summary, Lt. Col. MacPhail suggests “…baseball will find itself in a better position if it takes a positive and aggressive stand now in support of the war effort…we have been accused in the past of sitting back and doing nothing. If baseball has had any policy that we are 100% behind the war effort, now is a good time to prove it.” After reading the letter from McPhail, President Frick described a lunch he attended with a group of government officials in the private dining room of the United States Senate discussing the matter of sports continuing. Their argument was based on attendance numbers for the NL for the previous year. Frick argued that quantitative numbers alone do not reflect the impact MLB has on the public citing the story of Brooklyn baseball players going out in teams of two in industrial plants and selling war bonds; selling them definitely because they were ball players.

In response to MacPhail’s letter, President Frick suggested labeling 150-200 box and value seats in each stadium, at the discretion of individual ball clubs, as a special “bond section.” The Treasury Department would provide the manpower in bond booths for sales at no cost. A selling point for bond salesmen would be war bond buyers enjoying a special section in the ballparks, at no additional cost to the owners. This proposal was instrumental in portraying MLB as a supporter of the war effort.

Relief Games and the World Series

In an effort to bolster home front morale and to support military servicemen serving abroad, MLB donated profits from two World Series (WS) games to the United Services

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84 Larry MacPhail previously served in World War I as an artillery captain in France and Belgium. He resigned on September 23, 1942 as president of the Brooklyn Dodgers to accept a commission in the United States Army.
85 Owners Meeting minutes, February 8, 1944, 27-33.
86 Owners Meeting minutes, February 8, 1944, 15.
Organization (USO) and Red Cross. World Series games three and four were chosen in the July 1942 NL team owners meeting. The team owners initially refused the commissioner’s office concept since the World Series provided the largest amount of revenue over a short period of time for participating teams. The owners did not want to voice their frustration or disapproval publicly for fear of public backlash and upsetting the commissioner’s office this was Judge Kenesaw Landis’ idea.\(^{87}\) In conjunction with World Series receipts, the War Relief and Service Fund also received revenue from sixteen specifically scheduled mid-season games, eight from each league. After approval from the commissioner’s office, MLB reaped positive publicity from announcing their plans. Unknown to the public, team owners scheduled none of the games at night or on Sunday when the biggest crowds could be anticipated. This scheduling minimized revenue losses to charity.\(^{88}\) Due to MLB’s inconsistency of record keeping during the war, only the 1943 Benefit and Relief games are presented in Tables 4.4 and 4.5:

\(^{87}\) *Owners Meeting minutes*, July 6, 1942, 2-20. The owners reluctance to challenge the power of the commissioner began to wither near the end of the war and is reflected in the future appointment/election process.  
\(^{88}\) Goldstein. Spartan Seasons, 67.
Table 4.4. *Cash Receipts*

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income from a series of games played on July 28-29, 1943</td>
<td>$182,492.43</td>
</tr>
<tr>
<td>Gate Receipts of World Series Game #3</td>
<td>269,368.00</td>
</tr>
<tr>
<td>Gate Receipts of World Series Game #4</td>
<td>155,884.00</td>
</tr>
<tr>
<td>Receipts from Broadcasting Rights of World Series Games</td>
<td>100,000.00</td>
</tr>
<tr>
<td><strong>Total Receipts</strong></td>
<td><strong>$707,744.43</strong></td>
</tr>
</tbody>
</table>

Source: Baseball Hall of Fame, *Major League Baseball War Effort folder*, 1943

Table 4.5. *Cash Disbursements*

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts from a series of games played on July 28-29, 1943 paid to-</td>
<td></td>
</tr>
<tr>
<td>American Red Cross</td>
<td>$163,279.42</td>
</tr>
<tr>
<td>National War Fund, Inc.</td>
<td>19,213.01</td>
</tr>
<tr>
<td>Baseball Players’ share of World Series Games #3 and #4</td>
<td>216,878.52</td>
</tr>
<tr>
<td>St. Louis National League Club expenses of World Series Game #4</td>
<td>8,244.35</td>
</tr>
<tr>
<td>Incorporation Expense – Reimbursement of Attorney’s Expenses</td>
<td>303.11</td>
</tr>
<tr>
<td><strong>Total Disbursements</strong></td>
<td><strong>$407,918.00</strong></td>
</tr>
<tr>
<td>Balance, Cash in the National City Bank of New York on December 31, 1943</td>
<td>$299,826.02</td>
</tr>
</tbody>
</table>


Larry MacPhail, president of the Brooklyn Club, believed the most important feature in donating the proceeds of the World Series games was psychological by donating two games likely to be right in the middle of the World Series instead of near the end. President Frick strengthened the idea: “After each game these tremendous figures come out. It will run about this way: Commissioner, $25,000; each League, $25,000; U.S.O. $75,000, because they are getting fifty percent of each one of them; they are getting an equal amount with all of us. It is merely of proper psychology.” This plan exemplified how benefit games were played at minimal cost while fostering cooperation between MLB and the federal government.

---

89 *Owners Meeting minutes*, July 6, 1942, 20. Along with Larry MacPhail mentioning the idea was going to be a great piece of propaganda, owners discussed increasing the number of games to nine and playing them in large cities without MLB teams for maximum profits and exposure.

90 *Owners Meeting minutes*, July 6, 1942, 51.
Manpower

Manpower was by far the greatest sacrifice made by MLB for the war effort. More than 500 major league players and 4,076 minor league players swapped their flannels for military uniforms during the war. To compensate for the huge manpower shortage, MLB teams began packing their rosters with youngsters, part timers and 4-Fs, but continued to overlook available blacks drafted too. African-American ballplayers could have filled the ranks of wartime rosters. President Roosevelt’s attitude was not to give a further green light to MLB except on the recommendation of the Army and the Navy. With many MLB superstars, such as Joe DiMaggio (Navy) and Ted Williams (Marine Corps pilot), supervising baseball camps for military personnel and playing in benefit games, their skills were diminished in MLB team owner’s view.

According to the Selective Service Law (SSL), when a ball player was drafted into military service, they were also placed on the National Defense list for Major League Baseball. After his return from service, the player on the National Defense List must apply for reinstatement to their assigned club. That team must retain him for a period of 30 days during the training season or 15 days during the regular season. With a maximum of four years military service, many players were discharged at various times throughout the war, with some of their skills diminished. Upon return to the Major Leagues, a player could not be demoted to the minor leagues to rehabilitate the major league level skill, a practice long extant in the team’s
Based upon this depreciation, MLB team owners felt it unfair to pay players their previous salary and sought to renegotiate individual contracts. So, the federal government

Another precondition to the Selective Service Law stipulated that once a player returned to their contracted team, the proper amount of days (30/15) must pass before he could be unconditionally released. According to Branch Rickey, the purpose was to see that the player got a fair trial from the standpoint of the public and the press. The Selective Service Law required that a man must be accepted back at his previous status in seniority and salary. If a replacement player was promoted during the war, they cannot be demoted to a lower classification. According to Robert Quinn, “the major leagues got all of the worst of this deal if we could not send a man down below or send him to AA.”

MLB team owners were not about to pay premium dollar for veteran players with diminished skills. They wanted the power to re-sign players and to evaluate returning player’s values. By cutting some of the higher salaried players, owners were now free to offer more money to entice younger players with promising futures to sign long-term contracts. Owners wanted to sign more players for lower salaries and send them to Major League team’s minor league affiliate instead of paying expensive veterans to fill rosters. The revitalization of minor league teams after the war and increased Major League salaries is reflected in Table 4.6:

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95 Study of Monopoly Power, 761-762. Tygiel, Past Time: Baseball as History, 92. Branch Rickey was the first person to envision an integrated vertical network or teams owned by major league clubs in the 1920’s. After attendance doubled and with Rickey supplementing the team’s profits by selling off his surplus players, other teams began to implement the farm system into their own. Commissioner Landis opposed this system citing the creation of an unfair balance of power for MLB teams with deeper financial pockets. Commissioner Landis would eventually lose this battle.

96 Owners Meeting Minutes, February 1944, 45.

97 Owners Meeting Minutes, February 1944, 79.
Table 4.6. **Team Salaries, Major Leagues**

<table>
<thead>
<tr>
<th></th>
<th>1929</th>
<th>1933</th>
<th>1939</th>
<th>1943</th>
<th>1946</th>
</tr>
</thead>
<tbody>
<tr>
<td>American League</td>
<td>$1,845,300</td>
<td>1,402,000</td>
<td>1,892,300</td>
<td>1,619,000</td>
<td>3,074,100</td>
</tr>
<tr>
<td>National League</td>
<td>$1,920,100</td>
<td>1,602,400</td>
<td>1,760,700</td>
<td>1,597,600</td>
<td>2,573,000</td>
</tr>
</tbody>
</table>

Source: *Study of Monopoly Power*, 1610

**All American Girls Professional Baseball League (AAGPBL)**

The AAGPBL was the brainchild of Chicago Cubs owner Phillip Wrigley and reflected public approval of MLB in 1943 despite the turmoil caused by the manpower push. The AAGPBL settled within a 100-mile radius of Chicago and excluded all other MLB teams. As a result, this separate league only benefitted one particular owner and never caught on in other cities where major league teams played. When Phil Wrigley presented the idea to other MLB team owners, the idea was not well received. With women working in predominately male oriented industrial jobs and recognizing the popularity of female softball leagues, the league was successful in promoting a baseball variant during WWII. Popularity began to diminish near the end of the war with the return of ball players from military service, and attendance decreased every year afterward until its dissolution until 1954.

---


99 Phil Wrigley also owned the Wrigley Company that manufactured chewing gum. With the majority of income coming from his primary company, creating the AAGPBL was strictly a business venture and would eventually sell the team in 1944 to Chicago advertising executive, Arthur Meyerhoff. No other owner possessed another multi-million dollar business as primary income which was why the other owners rejected the idea of the AAGPBL in other cities.

100 *Study of Monopoly Power*, 750. Phil Wrigley states in his two-year ownership from 1943-1944, he lost money both years but the league did fairly well later on. The reserve clause for players was added in after the 1943 after the non-reserved clause proved to be unsuccessful.
Integration of Baseball

Only white players participated in MLB from 1869 - 1947. When Judge Landis was appointed Commissioner of Baseball in 1920, he helped restore baseball’s integrity after the Black Sox Scandal of 1917. He also worked to keep African-Americans out of baseball through a gentleman’s agreement by stating, “The colored ball players have their own league, let them play in their own league.”101 This agreement would soon change after the war.

Because African-American people worked in defense jobs and served in the military, some racial barriers were beginning to crumble. After the death of Commissioner Landis in November 1944, owners appointed former Kentucky Senator Albert Benjamin "Happy" Chandler as MLB commissioner. When asked by two black reporters in April of 1945 about his stance for Negroes in MLB, Commissioner Chandler stated, “If a black boy can make it on Okinawa and Guadalcanal, hell, he can make it in baseball.”102 Against the majority of MLB teams owners who still refuted desegregation in MLB, Branch Rickey saw this as an opportunity by stating “the greatest untapped reservoir of raw material in the history of the game is the black race. The negroes will make us winners for years to come.”103 The Negro League drew thousands of fans, which if integrated into MLB, would provide a new source of revenue and expanded fan base. World War II did not make black and white ballplayers equal in social stature, but because soldiers fought and died together without regard to race, that sacrifice gave them the right to play on the same field.

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101 Burns, Ken. “Baseball – A Film by Ken Burns.” DVD. National Anthem 1940 – 1950. Pietrusza, . Judge and Jury. When Commissioner Landis was approached on the subject of African American ball players participating in MLB games, his reply was a simple “no.”

102 Editorial, “Chandler to Lead as Well as Police the Game; Sees position as Calling for Vigorous Promotion,” The Sporting News. May 3 1945, 1-2.

Chapter 5

Conclusion

With professional football and basketball still in its infancy, World War II allowed Americans to enjoy a period of increased income with little comforts to spend money except MLB and Hollywood movies.\textsuperscript{104} The increase of Major League Baseball night games for factory workers, free admission for victory drives, and promotion of war bonds for admission appealed to America’s patriotic pocketbook.

During the Congressional hearings in 1951, NL President Ford Frick read a statement to the committee members which prophesized MLB as a legitimate business that supported public welfare by providing a recreational relaxation to its fans. During WWII, MLB contributed $250,814.96 to the Baseball Fund for the Armed Services with an additional $259,871.87 from the National Association. These represented a total in cash contributions from baseball’s coffers of $2,128,698.58 made in the years which Major League Baseball finished with a loss.\textsuperscript{105} Although these numbers are impressive, MLB reported overall profit margins of 7.8 and 8 percent in 1944-1945, the most impressive bottom line figures since 1930. Table 5.1. reflects the margin of profit from 1942-1945:

\textsuperscript{104} Mead, Baseball Goes to War, 82-83.
\textsuperscript{105} Study of Monopoly Power, 41.
Table 5.1. Margin of profit on gross operating income, Major League clubs, 1942-45

<table>
<thead>
<tr>
<th></th>
<th>Gross National Product (billions)</th>
<th>Gross Operating Income (thousands)</th>
<th>Net Income</th>
<th>Margin of Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1942</td>
<td>$161.55</td>
<td>$12,200.00</td>
<td>$350,000.00</td>
<td><strong>2.9</strong></td>
</tr>
<tr>
<td>1943</td>
<td>$194.34</td>
<td>$10,900.00</td>
<td>($240,000.00)</td>
<td><strong>-2.7</strong></td>
</tr>
<tr>
<td>1944</td>
<td>$213.69</td>
<td>$12,600.00</td>
<td>$978,000.00</td>
<td><strong>7.8</strong></td>
</tr>
<tr>
<td>1945</td>
<td>$215.21</td>
<td>$15,200.00</td>
<td>$1,212,000.00</td>
<td><strong>8</strong></td>
</tr>
</tbody>
</table>

Source: Study of Monopoly Power, 1615.

To supplement to this argument, the average margin of profit for baseball during WWII, was 4 percent. Why did MLB report a loss to Congress when financial numbers showed a profit? MLB team owners include installation of lights (amortized over a number of years), revenue lost from benefit games, equipment donated, payments to bank loans, admission lost from victory scrap drives and maintenance. In addition, the Negro League asked for considerations for renting the ball parks, after MLB schedule finalized in 1945. The owners agreed to have the Negro League play games in the parks when the incumbent teams were away. The revenues were not figured into the consolidated financial statements presented to Congress in 1951. The definite reason for projected financial losses was the inclusion of the MiLB farm system. Providing 4,076 players to military service, only nine minor league teams remained operational during the war. Table 5.2. shows number of minor league teams in operation during WWII.

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106 Owners Meeting minutes. Letter from the Negro Major American and National League Baseball Teams, Inc. Dec 12 1944, 209-210. The Negro league asked for considerations for renting the ball parks, after MLB schedule finalized in 1945. The owners agreed to have the Negro League play games in the parks when the incumbent teams were away. The revenues were not figured into the consolidated financial statements presented to Congress in 1951.
Table 5.2. **Number of Minor Leagues in Operation, 1942 - 1945**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total at Start</th>
<th>Total at Finish</th>
</tr>
</thead>
<tbody>
<tr>
<td>1942</td>
<td>31</td>
<td>26</td>
</tr>
<tr>
<td>1943</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>1944</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>1945</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>

Source: *Study of Monopoly Power*, 1394. Independent or “outlaw” leagues within organized baseball are not included.

With these numbers figured into the bottom line, the profits would be substantially lower or non-existent. Table 5.3. reflects these profits.

Table 5.3. **Consolidated profit-and-loss statements, Major Leagues, 1943**

<table>
<thead>
<tr>
<th></th>
<th>American League</th>
<th>National League</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Games at home</strong></td>
<td>$2,778,522</td>
<td>$3,212,781</td>
<td>$5,991,303</td>
</tr>
<tr>
<td><strong>Away Games</strong></td>
<td>1,052,622</td>
<td>892,110</td>
<td>1,944,732</td>
</tr>
<tr>
<td><strong>Exhibition Games</strong></td>
<td>169,397</td>
<td>145,578</td>
<td>314,975</td>
</tr>
<tr>
<td><strong>Radio</strong></td>
<td>280,200</td>
<td>445,000</td>
<td>725,200</td>
</tr>
<tr>
<td><strong>Concessions (net)</strong></td>
<td>441,725</td>
<td>638,192</td>
<td>1,079,917</td>
</tr>
<tr>
<td><strong>Gross Operating Income</strong></td>
<td>$5,117,088</td>
<td>$5,733,175</td>
<td>$10,850,263</td>
</tr>
<tr>
<td><strong>Gross Operating Expenses</strong></td>
<td>4,345,328</td>
<td>4,739,020</td>
<td>9,084,348</td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
<td>$772,059</td>
<td>$994,155</td>
<td>$1,766,214</td>
</tr>
<tr>
<td><strong>Cost of Player contracts</strong></td>
<td>591,208</td>
<td>720,307</td>
<td>1,311,515</td>
</tr>
<tr>
<td><strong>Net income before taxes</strong></td>
<td>$180,852</td>
<td>$273,848</td>
<td>$454,700</td>
</tr>
<tr>
<td><strong>Farm losses</strong></td>
<td>130,321</td>
<td>256,936</td>
<td>387,257</td>
</tr>
<tr>
<td><strong>Net income before taxes</strong></td>
<td>$40,531</td>
<td>$16,912</td>
<td>$67,443</td>
</tr>
<tr>
<td><strong>Income taxes</strong></td>
<td>155,236</td>
<td>152,231</td>
<td>307,467</td>
</tr>
<tr>
<td><strong>Consolidated net income before taxes</strong></td>
<td>($104,705)</td>
<td>($135,319)</td>
<td>($240,024)</td>
</tr>
<tr>
<td><strong>Dividends</strong></td>
<td>39,650</td>
<td>96,226</td>
<td>135,876</td>
</tr>
<tr>
<td><strong>Consolidated net income</strong></td>
<td>($143,995)</td>
<td>($231,445)</td>
<td>($375,440)</td>
</tr>
</tbody>
</table>

Source: *Study of Monopoly Power*, 1394.

As, Branch Rickey mentioned in the 1941 NL team owner winter meeting, “we can get more returns from spending some money now, and popularizing ourselves now, and organizing
efficiently and not in any hit-or-miss way right now.\textsuperscript{107} The MLB team owner’s intent of positioning MLB to benefit after WWII is applied to almost every process along with the projection of a financial loss. The benefit was not in revenue but in customer loyalty and popularity. MLB was the only professional sport with Presidential support and it was poised for financial prosperity from increased night games, farm systems, integration of Negro players and anti-trust immunity. Table 5.4. illustrates public expenditures on major professional sports from 1941-1945.

**Table 5.4. Department of Commerce estimates on public expenditures for Major Professional Sports**

<table>
<thead>
<tr>
<th></th>
<th>Baseball</th>
<th>Football</th>
<th>Hockey</th>
<th>Horse and Dog Race tracks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1941</td>
<td>20.9</td>
<td>3.3</td>
<td>3.4</td>
<td>12.9</td>
</tr>
<tr>
<td>1942</td>
<td>17.5</td>
<td>2.1</td>
<td>4.1</td>
<td>11.5</td>
</tr>
<tr>
<td>1943</td>
<td>14.2</td>
<td>2.3</td>
<td>3.1</td>
<td>11.0</td>
</tr>
<tr>
<td>1944</td>
<td>17.4</td>
<td>3.0</td>
<td>3.9</td>
<td>14.5</td>
</tr>
<tr>
<td>1945</td>
<td>22.5</td>
<td>4.4</td>
<td>5.6</td>
<td>22.0</td>
</tr>
</tbody>
</table>


After the conclusion of the Congressional hearings, Emanuel Cellar presented a report on the findings of the subcommittee in 1952. Cellar summarizes:

Organized Baseball is largely a self-regulated industry. The laws of supply and demand are not the inexorable masters of this market place. Competition from other amusement industries, though not without influence, is comparatively ineffective…it would be therefore premature to enact general legislation for baseball at this time.\textsuperscript{108}

MLB wins. After the hearing, MLB team owners would benefit even further with expansion of teams to growing cities. During World War II, the industrial remapping of the United States began shifting defense manufacturing and research out of the northeast United

\textsuperscript{107} Owners Meeting minutes. December 9 1941, 68-70. 
\textsuperscript{108} Cellar, Emanuel. *Report of the Subcommittee*. 228-231
States and redistributed it to the West, East, and South coasts.\textsuperscript{109} This shift increased the populations of previous mid-level cities making them a viable venue for expansion. MLB team owners now saw new cities that would welcome them with open arms and pocketbooks.

Appendix

“Letter from MLB Commissioner Kenesaw Mountain Landis to President Roosevelt,” ca 1942, Baseball Hall of Fame Archives, Cooperstown New York.
THE WHITE HOUSE
WASHINGTON

January 15, 1942.

My dear Judge:--

Thank you for yours of January Fourteenth. As you will, of course, realize the final decision about the baseball season must rest with you and the Baseball Club owners -- so what I am going to say is solely a personal and not an official point of view.

I honestly feel that it would be best for the country to keep baseball going. There will be fewer people unemployed and everybody will work longer hours and harder than ever before.

And that means that they ought to have a chance for recreation and for taking their minds off their work even more than before.

Baseball provides a recreation which does not last over two hours or two hours and a half, and which can be got for very little cost. And, incidentally, I hope that night games can be extended because it gives an opportunity to the day shift to see a game occasionally.

As to the players themselves, I know you agree with me that individual players who are of active military or naval age should go, without question, into the services. Even if the actual quality of the teams is lowered by the greater use of older players, this will not dampen the popularity of the sport. Of course, if any individual has some particular aptitude in a trade or profession, he ought to serve the Government. That, however, is a matter which I know you can handle with complete justice.

Here is another way of looking at it -- if 300 teams use 5,000 or 6,000 players, these players are a definite recreational asset to at least 20,000,000 of their fellow citizens -- and that in my judgment is thoroughly worthwhile.

With every best wish,

Very sincerely yours,

[Signature]

Hon. Kenesaw M. Landis,
333 North Michigan Avenue,
Chicago,
Illinois.

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Patrick Stephen was born on May 25, 1978 in Witicha, Kansas. He graduated high school from Buchholz High School, Gainesville, Florida in June 1996. He joined the U.S. Army in 1997 as an active duty infantryman and was stationed in Ft. Drum, NY until May of 2000. In June of 2000, he moved to New Orleans, LA with the Louisiana National Guard and started school at the University of New Orleans. During Hurricane Katrina, he was called to active duty again until Dec of 2005 when his enlistment ended. Upon leaving the military, he finished his B.A. in Hotel, Restaurant and Tourism with a concentration in Food and Beverage in May of 2007. Harrah’s Entertainment hired him in June 2007 until October 2010 and moved back to New Orleans. In December 2010, he enlisted back into the Army as a Military Intelligence officer. In January 2011, he applied to the Graduate School of the University of New Orleans Public History military program.