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# Baseball in the Nineteenth Century: From Sport to Business

Working Paper No. 38

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Prepared for Professor John Hall

**Abstract:** This inquiry seeks to establish that in the 19<sup>th</sup> century baseball transitioned from a sport to a business activity. At the outset, the game of baseball was first played for the enjoyment of the players and spectators. Typically, teams were composed of players stemming from the towns for which they played, and early organized leagues enacted rules to keep the game played as a serious activity—but for amateurs. As the 19<sup>th</sup> century came towards its close, these amateur leagues were challenged by the emergence of new, professional leagues, and players took the liberty to play for the teams that offered the highest pay. Teams owners no longer looked at baseball as a sporting competition, but as a source of profit from the products they placed on the ball fields. Baseball lost its innocence; however this game but gained prestige as a national pastime once the professional leagues paved a way for Major League Baseball of today.

***Journal of Economics Literature* Classification Codes:** L83, N11, N31

**Key Words:** Amateur, Baseball, National Pastime, Professional, Sport

This inquiry seeks to establish that in the latter half of the 19<sup>th</sup> century baseball transitioned from a sport to a business activity. As a game, baseball's origins were debated back in the 19<sup>th</sup> century. These debates continue today and will likely persist for the foreseeable future. However, what cannot be debated is that this game initially started to be played for sport, meaning for the enjoyment and pleasure of the participants and onlookers alike. This pastime sport served as a way for people to get together to display their abilities while enjoying comradery and competition with other members of their community. As popularity of the game grew so did the prospect for earning profits. Slowly there became a shift in the way teams were constructed and how these teams were looked upon. This change formed baseball as we know it today: not as the game played for sport, but as a global business earning billions of dollars in revenues each year.

### **Baseball as a Sport**

The game of baseball is most likely the combination of many earlier folk games played in British Isles. These games all have three basic rules in common with baseball. First the defense is in control of the ball. Second a defensive player is designated to throw the ball to the offensive player equipped with a wooden bat or something resembling it to hit the ball. Third there are bases for the offensive

player to run to or around in order to score. The two most prominent of these games that baseball is said to be derived from are rounders and cricket.

The game was much more like these games in its earliest days in the United States. John David Cash in his book *“Before they were Cardinals: Major League Baseball in 19<sup>th</sup> Century St. Louis”* (2002, 1-2) teaches us that, if today's baseball fan were to travel back in time to the first St. Louis Brown Stockings game, the sport would be recognizable even though it would differ greatly from today's game in both rules and style. One such difference is that the pitching rubber. It wasn't put into use until 1893, until then there was a pitcher's box where the pitcher was able to move about freely. This was like how balls are bowled in cricket as many pitchers would employ a running start before throwing the ball.

The earliest account of baseball in the United States, found by Major League Baseball's official historian John Thorn, is from Pittsfield Massachusetts. It is a bylaw reference from 1791 that prohibits “baseball” from being played by anyone within a proximity of 80 yards of the newly constructed meeting house. Though referenced in the 16<sup>th</sup> century, baseball wasn't prominent in the United States until a few decades into the 19<sup>th</sup> century. Early baseball was considered a sport of upper society in the early days. The book, *A.G. Spalding and the Rise of Baseball*, author Peter Levin (1985, 6) sums that competition amongst organized teams like the Knickerbockers of New York of the 1840's that formalized in 1858 to become the

National Association of Baseball Players (NABBP), saw the game as recreational fun for upper class urban gentlemen. The league rules made clear that membership dues cover all expenses, not the admissions from fans. Players were not to be paid to play or receive payment for their travel. The game was intended for the privileged to play the privileged.

The popularity of the game was small in the 1840's and grew through the 1850's when ball clubs started to be affiliated with the towns that the players were from. This was how teams were built in the early days of the sport. The largest concentration of ball clubs was in New York city, which had a large metropolitan area. This being the most affluent city of the time makes sense that the gentlemen's game would be most popular in this region. The game by 1860 was expanding and gaining heavily in popularity and participation. The book *Playing for Keeps*, author Warren Goldstein (1989, 72) shows that there were 62 ballclubs that hailed from 6 different states at the 1860 National Association of Baseball Players Convention. The next year, 1861 brought the civil war and a halt to the game's expansion. (see Table 1).

With many ball players needed to fight in the war, clubs started to be dismantled and within two years there were only organized ball teams in two states. However the dismantling of teams did little to quell the growing popularity of baseball. Soldiers throughout the war played baseball in their down time.

Teaching the game to others that might have never had a chance to play. This did wonders for the expansion of baseball as soon as fighting commenced. Warren (1989, 72) estimates that within the first year of the war being over teams represented at the NABBP convention were triple what they were the previous year and hailed from seven more states. By 1866 the number of teams had grown to over 200 teams and from 17 different states. This was more than triple the size of the largest convention before the war (see Table 1).

It was in the post Civil War years that baseball started to be seen by some as a chance to each make money and not a game to be played purely for enjoyment. Although the rules of the NABBP still forbid players to be payed, teams were increasingly using policy tricks and loopholes in the rules to find ways for their ballplayers to be able to make money from their playing prowess.

### **Baseball in the American Business Setting**

Cities in the later part of the 1860s looked at their local ballclubs with pride. This brought many opportunities for the ball players from each of these teams. Although the rules set forth by the NABBP still forbid players from being salaried employees of a team, other important people, mainly prominent businessmen in the city were stepping in to fill that void. Levine (1985, 8) illustrates this when referencing that a

young A.G. Spalding in 1867 was offered an opportunity to leave his home town of Rockford and move to Chicago to pitch for the Excelsiors. Spalding was not to be paid for playing baseball but was instead given a job as a grocery clerk getting paid \$40.00 weekly and a schedule that would not interfere with his playing baseball.

Goldstein (1989, 84) views it that the movement of players from club to club in the 1860's represented most vividly the changes in the game of the time. Players referred to as "revolvers" were known to change teams frequently searching for improvement, not just in finding a more talented team to play for but finding better pay as well. Goldstein (1989, 85) also notes that although these player movements were noticed and some eyebrows were raised, they drew little criticism in the early part of the decade. It wasn't until the league's number of teams tripled after the end of the war that criticisms were raised by baseball purists wanting to keep the game's amateur status.

These kinds of dealing were common practice for teams trying to attract the best talent to come and play for them at the time. As these income supplements for players became more visible it took but a few years for teams to have outright salaried players. Levin (1985, 10) sites that in 1869 the Red Stockings of Cincinnati, despite being a part of the NABBP, were the first team to openly pay each of their players a seasonal salary. It didn't take long for other teams in the

league to do the same and within the year any club trying to compete in the attraction of top talent was paying players openly for their services.

The National Association of Baseball Players was finding it difficult to keep up with the rapidly changing times. The association that came together in 1858 and created the first set of recognized organizational rules was now struggling to keep up with the massive influx of new teams entering competition. Goldstein (1989, 91) asserts that in 1867-68 the history of baseball had become dense. Ideals had become conflicting and this led to an entanglement in clubhouses, in newspapers, on the playing grounds, and at gatherings and conventions. Baseball had reached its limits within the structure the NABBP had provided and 1870 marked the last convention of the NABBP.

Newspapers were also reporting on the game differently than as they had in the past. A.G. Spalding who sprung on the national scene as an ace pitcher in his teens kept a scrapbook of newspaper clippings. Levin (1985, 11) shares some of these titles from 1870 that show the game transforming rapidly “from a simple pastime” into a “systematic business”. These clippings Spalding kept foreshadowed what was to become of him. In time he would become the largest sporting goods manufacturer in the country along with a leader for the professional baseball movement.

Once the NABBP had folded there became a need for a new association to govern baseball. This came in 1871 with the forming of the National Association of Professional Baseball Players (NAPBBP). Goldstein (1989, 97-98) opines that revolving was a key aspect that paved the way for the total professionalization of baseball. It was a double edged sword for teams of the times. On one side, teams needed players to be free from moving constraints, so clubs were able to field the best team possible using players from all over the country. On the other side they wanted rules in place to keep their newly acquired talent from leaving for a more lucrative offer to another team.

The life span of the first professional baseball association was short, consisting of only five years. In those five years Goldstein (1989, 135) suggests that there were three main issues it dealt with. These issues were rules changes, to create a championship, and enforcement of contracts between clubs and players. There was some success in these areas as the NAPBBP made the competition to produce a single “Champion of the United States.” Along with its authority on rules being recognized and unchallenged. The success of the association as a business was far worse.

To be eligible to play for the championship a club need only pay a \$10-dollar entrance fee. This lack of a screening mechanism as Goldstein (1989, 146) puts it, was the reason the NAPBBP was so short lived. The organization could not

verify that teams had large enough fan bases or had sufficient investors to produce the capital needed to run a team. The association also had trouble keeping player salaries from ballooning, which was a factor in many clubs folding due to financial problems. The play during the five-year run of the association was dominated by commercially successful teams. Shown by the Boston Red Stockings winning the pennant in years 1872-75. By 1875 conflicts had arisen between the successful clubs, this along with the weakness of other clubs led to the forming of the National League.

The 1876 season was the first under the direction of the National League of Professional Baseball Clubs, better known as the National League. This, unlike the association before it made no claim that it was a player ran league. The National league was a business minded operation ran by its owners. To Goldstein, (1989,147) it is unsurprising that the owner adopted solutions to baseballs problems resembled those of large industrial businesses.

Goldstein (1989, 147) notes that William Hulbert, the brain behind the Chicago White Stockings, pushed for the monopolization of territories by local teams and a restriction on the number of financially stable teams in the league. His reasoning was that with this core group of teams would be able to hold player salaries down through limited competition. To put this plan into action Hulbert only invited the strongest NABBP clubs to the Central Hotel in New York. With

this meeting the NABBP was flatly replaced by the National League as the dominant baseball institution in the United States through the turn of the century.

New rules and sanctions were put in place limiting which cities could have a team. Goldstein (1989, 148) references that the requirement for a city to field a ball team was that it needed a population larger than 75,000 and only a single club could reside in each city. This ensured teams a territorial monopoly. The National league also created the schedule for the year. In the past scheduling was done individually between teams making it difficult to field competitive and lucrative games. This league wide schedule institution introduced prior to the 1877 season guaranteed teams a certain amount of games against commercially known and successful teams.

The most important issue the National League instituted was the way the league intervened in the workplace. Each team was given “the right to regulate its own affairs, to make its own contracts, to establish its own rules, and to discipline and punish its own, players.” These rules turned the players into subordinates of ownership more in the line with labor and raw materials of the baseball business rather than individuals in it.

## **What Was Lost and What Was Gained?**

Baseball can never again resemble what it was in its beginning. The sport has changed in many ways mostly for the better but in some ways for the worse.

Baseball is still being played for recreational enjoyment by many. Players and enthusiasts range from five-year-old “tee ballers” to the Sunday adult leagues played by forty-somethings seeking to relive days of glory. The highest level of competition in the sport will never again be played for that enjoyment. Nine men from the same town would represent and play for their town or city rather than themselves. The innocence has been lost from the original game. Amateur competition is still fundamental to the game, but it is not the national pastime.

Children as soon as they can understand baseball also understand what comes with it. The million-dollar contracts and recognition for pros spreads farther across the globe with each new year.

This innocence is, as I see it, is but a small price to pay for the gains that have been made. The birth of baseball as a business has led to the unification of the rules in the United States and abroad. Although some small variances will occur be it on extra innings played or certain pick off moves by the pitcher being banned, basic rules and dimensions of the field are now universal.

The maturation of the game has not come without growing pains. These were in the form of early ownerships relegation turning players into indentured servants to the team. This dynamic would have a vital role in the shaping of how baseball at the highest level is played and maintained today. The struggles between player and owner for the greater part of the last hundred years is what has provided the game with the strength it has today. Were it not for coming of baseball as a business, the game itself might not have endured and thrived the way it has throughout the twentieth century and into the twenty-first.

The shift from baseball as a sport in to that of a business fell in line with that of the large businesses of turn of the century America. This gives baseball a greater sense as truly the national pastime. Brought forth though ideals of the times in the United States. Creating a continuity and growth of the game and its fans that intertwined. Through the corporatization of baseball, our national pastime emerged, one that has been able to walk in stride with the U.S. and its citizens. Baseball gained its identity as the national pastime by its becoming a business and that is worth more than anything that was lost due to it.

## **Conclusion**

This inquiry has sought to establish that in the 19<sup>th</sup> century baseball transitioned from a sport to a business activity. The game originated as a gentleman's sport. Played by the middle- and upper-class elites of the city. This changed as popularity of the game grew and an increasing incentive was placed on the outcome of games. Players began to be paid for their services which led the change from the game's amateur status to a professional one. This professionalism led to a different treatment of the game. Teams now had intentions of making money and not just providing a source of pride and entertainment for their home towns. Owners took the corporate model of the day and put it to use in the realm of baseball. This is when the transition from a game people played for sporting fun transitioned into a business activity.

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