

Imagine the US Economy Is a Baseball Game

by **Bill Sardi**



Imagine the US economy is a baseball game. The score is 142 to 1 against your team. Your team is about to lose a game by the worst score of all time. But your team stalls for time. The game isn't over. There is still the hope your team can make the playoffs, they say.

It's the eighth inning with a runner on second base with two out and the manager, Benny Bernanke, walks up whispers in the ear of the batter to keep swinging at pitches and fouling them off. A pitcher named Slim Geithner keeps serving up the lop balls, and the batter has now fouled off 4,283 pitches in a row. The game is now into its third day.

The batter has had his contract changed so he gets paid on the number of foul balls he hits in a row. It's still the 8th inning. Ball boys begin running hot dogs and Cokes to the runner on second base. Finally, substitute runners rotate from the bench. Someday your team is gonna lose, but for now, the game is stalled.

Imagine, in this surreal allegory, that team owners offer season ticket packages at introductory teaser prices, no down payment, low interest rates if you buy a 30-year season ticket package, with free parking passes, and you get this season ticket pass on a layaway time payment plan. Team owners then begin bundling these long-term season ticket packages and selling them to investors. The owners are making a killing off of this. The fans have no idea.

But after a few games the fine print in the season ticket contract says the interest rate on the ticket package will rise and a strong number of fans can't continue to pay. They claim they have been unfairly forced out of their reserved seats and that somebody ought to bail them out. The problem is, some of these season ticket package holders never even made one payment. Some took out a secondary loan, offered by the team owners, on the value of the ticket package, and began to use it as a piggy bank — to buy team jackets and memorabilia, even cars with the team logo on the side.

Also imagine that baseball team owners have taken the season ticket holders money and invested it into risky investments that have produced unprecedented losses so that continuation of the baseball schedule is now threatened. There is no money left to pay umpires, light bills, hot dog vendors.

The out-of-cash owners then begin to sell more season tickets than there are seats in their stadiums, banking on the fact many ticket holders are no-shows. Investors who are buying the packaged long-term season ticket contracts have no idea they are buying something the owners can't deliver.

Also imagine that other season ticket holders, fearing a financial collapse of the league, have begun a rush on ticket windows, demanding their unused tickets be redeemed back for cash. Something must be done, so a lady named Sheila Bair is designated to head up a season ticket holder insurance plan, which the team owners kick money into. Now the season ticket holders need not fear loss of their money, even though more insolvent teams are being forced out of business by the Sheila lady every day and she has had to request bailout money from the government.

In reality, the American economy is about to crash into oblivion. Bankers are still practicing phony accounting and keeping losses off the books, and not appraising real estate assets to their true value, and their reserves are entirely contrived, loaned from printed money from the Federal Reserve.

If the banks begin to loan the money and distribute funds into the economy, massive inflation will result. If the banks don't loan out the money, there will continue to be economic paralysis — homebuilding and construction will be frozen and unemployment will remain high. For now it's best to keep hitting foul balls.

Back to our imaginary scenario, the government has deemed American baseball as such an important icon of modern American history that it cannot be allowed to fail. So it subsidizes the teams in the form of a bailout program. The worst managed teams get the most bailout money. Inexplicably, team leadership remains intact.

Debt-laden teams cut back on player salaries, reduce the size of minor league teams, and create a temporary increase in their profit margins, prompting team owners to take obscene bonuses for, as they claim, *"exercising their unusual skill in rescuing the team."*

But weren't these the same guys who got the team into this fix in the first place? It was all accomplished with money borrowed from the fans (i.e. tax payers), right? If baseball had been nationalized, none of these baseball executives would receive more than maximum civil servant wages. Instead, in some instances, baseball executive bonuses exceed the entire profits of the team, all while the team still owes the government for loaning money to keep it in operation.

Back to the real world, debt-laden companies, seeing that consumers are electing to pay down their credit card bills and home mortgages rather than spend on consumer goods, are cutting inventories, laying off more employees, and increasing their margin of profit, temporarily driving up the price of their stock, even though they cannot possibly continue to service their debt. Things look rosy, for now.

At our imagined game, everybody is stalling for time — hitting foul balls, hoping the fans will stay for the end of the game. The longer it lasts the more hot dogs they sell.

The fans don't get it. They are wrapped up in what they see as a thriller game, the longest on record. Typical of Americans, they wanna wear T-shirts that say *"I was there when the longest baseball game was played."*

In the real world, the banks are being paid to park their borrowed money with the Federal Reserve, like the batter in this imaginary baseball game is being paid to hit foul balls. The economy is forever stalled.

To fix the problem, government has even offered to pay fans to attend games (stimulus plans to buy homes, cars, etc.). Imagine — this phony consumer activity will be counted as part of attendance figures (Gross Domestic Product).

Furthermore, because of the alleged threat of terrorists at baseball games, the government now requires full-body scans of all fans upon entry to the ballpark (there is said to be a full body scan photo of some busty babe who attended a recent Dodgers game circulating the internet), and cars in the parking lot are screened with bomb detectors, and security teams have begun to form a list of potential terrorist fans (you know, the ones in Philly who yell obscenities and topple their beer cups on opposing players as they attempt to make a catch at the outfield wall).

Cameras now scan and record all events in the stands. Terrorist drills, where costumed terrorists attempt to light a cigarette in the bleachers, become reality as the fact this was a staged drill never gets reported. And again, the business of thwarting potential terrorists is now counted as part of the nation's Gross Domestic Product.

Does this metaphorical story sound silly or distorted? Does it conger up thoughts of massive public deceit? It should. America has become surreal, manipulated, bizarre.

Game reformers want more security in the stands, biodegradable beer mugs, and higher taxes so more underprivileged kids can get a seat at the ball park. Ushers, grounds crewmen and parking lot attendants say they will burn the ball park down if their pay checks are cut.

But this IS America, so let's grab a beer and get back to that ballgame. All the fans are emailing friends now to say they haven't gone home and intend to stay for the entire game, no matter how long this guy at the plate keeps fouling off pitches. It's better than reality TV.

But when the game is over, there will be no car in the parking lot. There will be no house to go home to. There will be no team either. When the game is over, it will be too late.

If you're at the game now, eat a couple of extra hot dogs, because fans are going to be hungry after this game is over. And make sure you get an autographed ball before the last out is recorded. It could be worth more than the paper money in your pocket.