

Who Integrated Major League Baseball Faster Winning Teams or Losing Teams? A Comment

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Abstract

This article offers some comments on recent articles in this journal about the process of racial integration in certain sports venues. Nothing in these articles changes the basic result in an earlier article where the authors show that entrepreneurship by winning teams is the key to understanding which teams integrated first and why.

Keywords

integration, Major League Baseball, Atlantic Coast Conference basketball, entrepreneurship

In a recent volume of this journal, Hanssen and Meehan (2009) offer evidence on the racial integration of Major League Baseball (MLB). We read their article as more of a comment on Goff, McCormick, and Tollison (2002) than a new contribution. In the same volume, Coyne, Isaacs, and Schwartz (2009) also refer to GMT as part of their comment on HM. We provide a brief response to both of these articles in turn.

GMT (2002, p.16) offered a general thesis regarding racial integration as an innovation: "Economists have focused their efforts on the economics of discrimination while the actual process by which individuals, firms, and other entities shifted from

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segregated to integrated states of operation has not been studied carefully. In this paper we treat racial integration as an innovation in economic process. . . . With innovation, owners can potentially rearrange their operations in a more profitable fashion. So the basic questions are: what type of firm takes advantage of an innovation early and why?" We explored these issues using two sports applications, MLB and Atlantic Coast Conference (ACC) basketball. HM fixate solely on certain aspects of the MLB data ignoring the ACC data and results altogether. The basketball results are strongly supportive of the entrepreneurship or the "better" first hypothesis.

In regard to the empirical evidence for MLB, as with any empirical study, there are improvements to be made and further testing to be done. Our original piece is not the final word. However, HM bypass much of the strongest and most general parts of our evidence, such as the descriptive data showing how racial integration in MLB and the ACC fits the typical logistic function used to study the rate and extent of the diffusion of an innovation. Our regression evidence digs deeper, asking what accounts for this logistic relationship—competition among bad teams or entrepreneurial insight among good teams. The fact that the dispersion of black players shares the same general shape as, for example, the dispersion of hybrid corn after its invention is a simple yet persuasive piece of evidence that there is an innovative process at work in the sports applications.

HM's duration (hazard) model is a useful augmentation of our work. We have also employed this approach in other work on integration in sports (Goff & Tollison, 2009). Our criticism of their efforts in this regard is that they do not seem interested in pursuing a genuine alternative hypothesis. Rather, they are content with trying to find insignificant *t*-statistics related to our study. Their examination of the data in changes rather than levels results in regression output that is little more than noise. Although their duration regressions do not offer much support for the insightful management explanation (good teams first), neither do they offer support for the competitive (bad teams first) hypothesis. Their lack of evidence in support of the competitive explanation, in itself, could be taken as weakly supportive of our point that something beyond poor performance is helping innovation along.

The discreteness of the events makes investigating the "who goes first" hypothesis difficult using either the regression evidence in GMT or HM (a point made by Coyne et al.). Two simple empirical facts are apparent regarding the process of innovation in MLB. (a) Brooklyn and Cleveland went first with the New York Giants following closely behind. Were Brooklyn and Cleveland "good" teams or "bad" teams before they integrated? The 2 years (1946 and 1945) before Jackie Robinson broke into MLB, Brooklyn finished second and third in the National League. From 1939 to 1946, they finished below third only once. Cleveland finished fifth and sixth in the American League in 1946 and 1945. Between 1939 and 1945, they finished between third and fifth. The Giants were also a midperforming team in the National League. (b) Black players preceded better performance. HM want to create a major issue out of the simultaneity problem between integrating black players and their

influence on team performance. We readily admit that as time goes on, there is complex feedback between these two variables. Nonetheless, we do know which came first—integration and black players.

Our reading of the Coyne et al. comment and the other works by the authors cited therein (Coyne et al., 2007, 2009) is that while seeking to carve out a niche distinct from GMT, these articles represent more of a “concurring opinion” than a dissent. They emphasize and describe the entrepreneurial role in more detail than GMT, which focuses on the quantitative data regarding the addition of black players. The fleshing out of the entrepreneurial role, the skills related to it, and additional evidence (such as the success of the National Collegiate Athletic Association basketball tournament) is explored in detail in chapter 7 of Goff (2005). On the matter of the process being more complex than a simple “best first” description, we are quite willing to concede that “better first” is a more apt description.

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Bios

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