

BUSINESS



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A Different Conversation by Dr. Thomas Pieplow

One of the fondest recollections of my youth was going with my father to Riverlake Lanes, a 16-lane bowling alley, and watching his teams compete twice each week. By today's standards, Riverlake was a tiny facility, but when there are five men rolling on every lane, the place was loud, raucous, and exciting. Despite these being "school nights," Dad always took me along as he bowled lead-off for Timberwall Homes on Mondays and rolled in the vital number four slot on Thursdays for Everett's Pontiac. Those memories are as rich and clear today as they were then and, based upon those great days, I could not wait until I could light my first cigar and wear my own colorfully designed rayon shirt adorned with "Bell-Mell's Tavern" or "Mayhew's Restaurant." Despite the fact my hometown had less than 12,000 residents, Riverlake

had leagues Monday through Friday with two shifts each evening. In other words, bowling in leagues represented a key thread in the social fabric of our people.

Twenty-two years ago, few people outside of the Harvard community ever heard of Robert Putnam. Even he described himself as an "obscure academic"—that is until he rocked the academic world with a journal article called "Bowling Alone." Soon, Putnam found himself invited to Camp David, his name and picture graced *People* magazine, and his theories on the breakdown of social capital found resonance among political scientists worldwide. During the late 1950s and early 1960s, Putnam grew up in Port Clinton, a small town along the northwest Ohio shores of Lake Erie. Drawing upon nearly 500,000 interviews, Putnam compared



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America of the 1990s to the days of his youth and discovered that Americans were becoming disconnected from their families, friends, neighbors, communities, and the nation. We signed fewer petitions, belonged to fewer organizations, knew little about our neighbors, were with our friends less frequently, and even though Americans were bowling more than ever, we

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Settling for "Equity" Rather than "Equality" by Dr. William Wilkes

The issue of equity versus equality has been clearly and frequently discussed as it relates to women's



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soccer competition and compensation. The debate has revolved around the "pay for play" system the men are using versus a predetermined annual salary the women use. In addition, the disparity between the pay the Men's National Soccer Team (MNT) earned from the U.S. Soccer Federation (USSF) as compared to the earnings for the Women's National Soccer Team (WNT) became a highly publicized issue after the U.S. Women won the FIFA Women's World Cup in 2015.

The 2015 FIFA Women's World

Cup was an international soccer tournament that was held in Canada from 6 June until 5 July, 2015. The Championship Match—USA versus Japan—was held on 5 July, 2015 in Vancouver, British Columbia, Canada. This was a rematch of the final for the 2011 Women's FIFA World Cup which was won by the United States. Again the U.S. WNT was victorious with a 5-2 score.

Three of the U.S. goals were scored by Carli Lloyd, giving her the fastest "hat trick" in the history of Wo-

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“The 2015 FIFA Women’s World Cup Championship game easily eclipsed viewing records for any male or female televised soccer game in North America.”

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men’s World Cup competition. Scoring three goals in a single game is not common in soccer; however, the third goal scored by Lloyd at the 16th minute was called by *Reuters* as “one of the most remarkable goals ever witnessed in a Women’s World Cup.” Lloyd took control of the ball in the defensive end of the field and while crossing the midfield line, had the vision to look up field and realize that the Japanese goalie was well forward of the goal. As noted by Thomas in the article, “Equal Pay for Equal Play: The Case of the Women’s Soccer Team,” in *The New Yorker*, “Carli launched a shot halfway across the field, the arc of the ball suggested how far women’s sports had come. It was a shot that required boldness, strength, and astonishing accuracy. Not a Hail Mary, not a wish or dream, it was a statement of skill and mastery. This is what athletes can do, it said. This is what sports can be” (2016, May 27).

The 2015 FIFA Women’s World Cup Championship game easily eclipsed

viewing records for any male or female televised soccer game in North America. Fox Network reported 25.4 million viewers and Spanish-language *Telemundo* reported 1.3 million viewers, which made the final the most-watched soccer game in American history.

The United States is the only country to have won in three Women’s World Cup finals. The victorious WNT returned home to much praise and wanted to share the glory with fans across the nation. On 11 July, the World Cup win was celebrated with a ticker-tape parade in New York City. This was the first time that a team of female athletes was honored with a ticker-tape parade in Lower Manhattan. In conjunction with the USSF, following the 2015 World Cup victory, the WNT conducted a 10-game “victory tour” to promote Women’s soccer in the United States.

Despite having out-performed the MNT, the women were expressing a



great deal of concern regarding the disparity of pay between the male and female national soccer teams. In February 2016, U.S. Soccer sued the union representing the WNT players in a dispute over continuing the terms of the expired collective bargaining agreement (CBA). The CBA included a “no strike” clause. Then in March 2016, five players on the WNT filed an EEOC complaint accusing the USSF of wage discrimination based on gender. Since all soccer teams are represented by the USSF, the WNT and MNT share the same employer.

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“Over the past 25 years, the economy has been globalized and politics has been liberalized.”

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no longer bowled in leagues—we were bowling alone. The town that formed the foundation for Putnam’s research was the same town I described in the beginning: Port Clinton, Ohio. Most can cite reasons for this decline, but it is clear that fluctuations in work and family structure, age, demographics, urban flight, television, technology, changes in women’s roles, and other factors, have all played a part in this decline in social capital.

My reason for sharing these stories is because the Port Clinton of Dr. Putnam’s and my days is gone, relegated to the scrap heap of thousands of communities left behind as a result of globalization and struggling to even remain relevant. Though the “American Dream” promised a land in which life should be better, richer, and fuller for everyone, future economic prosperity is instead a meritocracy, destined only for nations and communities who plan strategically, forge partnerships with business, and view enterprises as golden geese that should be fed instead of strangled.

This is not to say communities like Port Clinton will never recover and even have the opportunity to surpass the greatness they once realized. But this requires business, educational, and political leaders to recognize that the issues we face cannot be solved using national level solutions.

Over the past 25 years, the economy has been globalized and politics has been liberalized. Some have argued the combination of these two has led to the best of times for all; and by many measures, we indeed are seeing things we once thought to be impossible. In 1952, tuberculosis killed over 20,000 Americans; in that same year, over 3,100 died from polio. Today, more people die from eating too much than eating too little, and more people die from old age than from infectious diseases. Yet even with these successes, 2016 offered a clear signal that all is not well in large portions of the world. Through election results seen across the globe, a new fault line appears to be emerging. For most of my adult life, elections have been driven by the left

versus the right, liberal versus conservative, and with morality shaping the discourse and debate. But across the globe, this model has been upended; instead, the lines of demarcation are framed by an entirely different lens—globalism versus nationalism.

Unless one believes recent elections (and the fact that pollsters universally got it so wrong) are a one-time anomaly, these trends offer clear signals that new political models are needed if we are to correctly address the problems we face. The political treatise can no longer ignore that we have a global ecology functioning under a global economy, and unless solutions are established within that framework, local political answers will be frustratingly ineffective in addressing the issues we face. But no matter how well intended, when laws are established without consideration of their utility in a global economy, ecology, and regulatory setting, these same rules make it virtually impossible for domestic business to remain competitive and sustain the jobs and workers

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they were intended to protect. National solutions will only have efficacy if we were to revert to a national economy where labor, capital, raw materials, and the cost of capital are impenetrable by global forces; but is this realistic? In the same vein, global governance certainly could holistically address the issues of pollution and labor practices, but only if sovereign nations were willing to cede their self interests in order to abide with decisions made by a higher body; again, is this realistic? One can look at the United Nations and see the difficulty in finding consensus on the simplest issues; and even when agreements are reached, how enforcement is often ineffective at best.

Some believe that a return to the past offers the political answers for today's issues. The

days that Dr. Putnam and I experienced are remembered fondly. Just as American teenager Marty McFly was transported 30 years back in time in the movie "Back to the Future," I, too, would like to relive a time when a sense of community was fostered; but just how great were those days? The fact is, these were times of significant social upheaval and unrest and where racism, homophobia, and sexism were widely accepted. In the late 1960s, I watched television footage as riots exploded across the minority urban enclaves of America, killing thousands and destroying vast sections of cities that have never recovered. The Vietnam War killed over 50,000 of our young and, in most instances, was a war fought on the backs of those at the lowest economic strata. So even though "Make America Great Again" (which

actually had been used over 35 years earlier by President Ronald Reagan) kindles rich memories of my youth, are the solutions to the challenges we face today found from a timeframe bearing little resemblance to today? Understand, this phenomenon is not unique to America. Russian President Vladimir Putin's vision for the future is to reconstruct the Stalinist Empire, and, in Israel, going back 2,000 years and reconstructing the Temple in Jerusalem is dominating the political landscape. While there is much to be gained from George Santayana's famous statement that "those who cannot remember the past are condemned to repeat it," there is equally as much we can lose if we simply follow our gut instincts that returning to the

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Ticker-tape parade celebrating the WNT World Cup victory

The females asserted that the Equal Pay Act was relevant since the law demanded equal pay for equal work. This led to press articles in March and April addressing the complex compensation differences between Female and Male National Team players and whether this represented discrimination under the Equal Pay Act. To provoke discussion of bias, Congress passed a nonbinding resolution asking FIFA and the USSF to address this disparity.

The above activities highlight a strategy by the WNT to promote their concern and foster support, not only in the legal arenas, but also in the courts of public awareness and opinion. A thorough discussion of the differences in pay, diverse types of compensation and benefits is covered in an article published in *Business Insights: A College of Business Research Journal* called "Soccernomics: Salaries for World Cup Soccer Athletes" (Garris, M. and Wilkes, W., Spring 2017).

After prolonged and heated bargaining sessions, the CBA between the USSF and the WNT was ratified on 5 April, 2017. The con-

tract expires 31 December, 2021 and includes the 2019 World Cup in France and 2020 Tokyo Summer Olympics. The original discussions were based on a "memorandum of understanding" that extended the expired CBA. This caused some of the pay differences between the men and women, primarily in per diem, travel allowances, and match bonuses which are now equal. It is possible the females will be reimbursed to cover the higher amount the men were paid when their CBA was ratified.

The major difference in what the women demanded and what they received is astronomical. They decided to opt for EQUITY instead of EQUAL PAY. The women decided to continue with the current system of "salary and benefits" versus "pay for play." Despite the differences in the rate of pay, the current members of the WNT wanted a steadier monthly rate rather than a higher pay for playing a game. They also wanted medical benefits that the men probably did not want. While there should be reasonable comparison between the men and women when playing for the national team, the men tend to have a better opportunity to make higher pay when playing for a club. Basically, professional athletes play for the national teams for honor and professional players play for the club teams for profit. This CBA only addresses the pay issue relative to playing for the national team.

While the terms of the CBA have not been released, *The New York Times* reported the base pay for WNT players will increase approximately thirty percent. This means many females could be earning essentially the same amount as the males. Also, the WNT Player

Association will have some control over licenses and marketing rights which will increase the pay to females. Additionally, the USSF will continue to pay the salaries for members of the WNT allocated to the National Soccer League teams located in the United States. The players agreed to play for these teams. The intent of this is to keep the female players in the United States so they can help develop female participation in soccer and allow the U.S. WNT coaches to more closely monitor the development of these elite female players. This prevents the females from seeking alternative opportunities in foreign leagues that might be paying a higher market driven salary.

The EEOC complaint filed in March 2016 by five WNT players alleging gender wage discrimination has not been resolved, but may be withdrawn soon. The WNT and USSF issued a joint statement expressing the virtues of the new CBA, specifically listing the following major points:

- This agreement will continue to build on the Women's soccer program in the U.S.
- It will also help to grow the game of soccer worldwide, and
- Improve the professional lives of female soccer players on and off the field.

However, the new agreement does NOT deal with the issue of FIFA and their gender biases and the perception of ongoing corruption in the distribution of earnings from National Team Tournaments to the various National Soccer Associations.



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past offers security for the problems we face today.

"America First" is an appealing slogan and now has clear resonance with vast numbers of American workers, businesses, and taxpayers who look at many of our international agreements and see trade policies that have been free, but certainly not fair. For hundreds of years, patriotism has been noble and worked well. Patriotism has provided the ability for large numbers of people to care about and protect each other, sympathize among each other and come together for collective action such as defending the borders; and it is not unique to America. The Yellow River is known as the "mother river of China" and was the center of Chinese politics, economy, and culture for over 2,000 years. History reflects this was where Chinese civilization began and was the most prosperous region in early Chinese history. The river was a source of prosperity for hundreds of tribes living along its banks, all depending upon the river for their survival. But the river was also a source of suffering and death from floods and droughts. No single tribe could do anything about it because they only controlled a small section of the river and realized that solutions developed by individual tribes offered neither sustained nor optimal benefits. The tribes realized that collective action offered a better hope; so through a complex and arduous process, the tribes coalesced to form the Chinese nation, which then controlled the entire Yellow River. Once that hap-

pened, they were able to bring hundreds of thousands together and, through collective actions, build dams, canals, bridges, and regulated the river to prevent the worst droughts and floods, raising prosperity for all.

Today, technology has fundamentally changed how we live and conduct business, and all peoples of the world reside along the same "cyber-river." Yet no single nation can regulate this cyber-river by itself. The major issues faced today are global, and nationalism is not at the right level to address. Technological disruption, and specifically artificial intelligence, is estimated to push hundreds of millions of people out of the job market over the next 25-30 years and will disrupt the economies of countries across the world. This is an example of an issue with global implications without solutions at a national level. Another emerging field is bioengineering, an area where the implications involved with genetic engineering and research has raised significant controversy. Assume a single nation were to act on these reservations regarding human cloning and established a law forbidding all genetic experimentation in humans; yet other nations continued their programs unabated. Experimentation in this area offers high reward along with high risk and, eventually, the pressure on the abstaining country would be too great to resist. The only way to effectively regulate this field would be at the global level. In order for lasting, substantive, and meaningful guidelines, global level solutions must be established or, eventually, there will be none.

It's been said when your neighbor loses their job, we are in a recession; but when we lose our job, we are in a depression. Regardless of the definition used, job loss has been real, pronounced, and devastating on communities such as Port Clinton, Ohio. At a national level, globalism has forced a hard look at existing and future trade agreements and, in many instances, led to serious consideration of more restrictive borders, tighter immigration policies, and trade disincentives on imports. But the threat for job loss over the next 20 years will not come from Mexico, India, South Korea, or China, but from the drones, robots, and algorithms. A wall on the border of Mexico may stem the flow of people illegally entering the United States, but it will be woefully ineffective at stemming the loss of jobs. So positioning ourselves for economic prosperity requires a different approach, from academia, business, and political bodies alike. As outlined, political structures at a national level are ineffective at addressing macro-issues rooted in a global environment. Instead, there must be a pragmatic realization that our national interests are best served when we work with others and craft solutions on a global level. As an educator, it is no longer good enough for me to simply position my students to get better, faster, and quicker at what they are doing today. Instead, it is my responsibility to educate my students on how to reinvent their job, whether it be the one they have today or the one they want to get. The velocity of change is so rapid and competition so fierce that, unless prepared, my students will be left behind; and that will not be their fault, but mine.