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WILL NBA PLAYERS GO TO EUROPE?

*VyShaey Mitchell**

I. INTRODUCTION

Rumors have recently plagued the National Basketball Association (NBA) that some of its finest players would consider taking their talent overseas to the play in EuroLeagues. Players such as LeBron James have been quoted saying that he would take his talent over seas if he could make \$50,000,000 a year.¹ Kobe Bryant has also admitted he would consider leaving the NBA to play in Europe for the right amount of money.² With the league's loss of Josh Childress³, promises made by the Euroleagues, which cannot be matched by the NBA, along with the rise of the Euro, even the most casual fan cannot help but to worry about the future of the NBA's biggest stars staying in the United States (U.S.). So why aren't owners worried?

For years professional athletes have been given generous signing bonuses and signed high-end contracts with both teams and companies, who wish to have the athletes, endorse their products. It is difficult to even fathom the lifestyles that athletes are accustomed. It would be natural to think that players' decisions to leave the NBA are motivated solely by the dollar or in this case the Euro. On the outside it appears that athletes have all they need and more, and that leaving to play in Europe for more money would be nothing more than voracity. In 2008 it was reported that LeBron James' salary and winnings brought him over \$12 million. Not to be outdone, Kobe Bryant made over \$19 million from his salary and winnings alone, and Kevin Garnett's salary and winnings yielded him \$22 million in the same year.⁴

Professional athletes can be considered a sole proprietor or a single business entity. They practice regularly to hone their craft, take on activities that can lead to career ending, if not life altering, injuries,

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1. Mike Cranston, *Europe Suddenly An Option for Top NBA Players*, San Francisco Chronicle, Aug. 9, 2008, <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/08/09/SPT2127GD7.DTL>.

2. Id.

3. Frank Deford, *America's new trade Deficit*, NPR, Nov. 12, 2008, <http://www.npr.org/templates/story/story.php?storyId=96861875>.

4. Jonah Freedman, *Ranking the 50 Highest-earning Athletes in the U.S.*, Sports Illustrated, 2008 <http://sportsillustrated.cnn.com/more/specials/fortunate50/2008/index.html>.

hire a team of professionals to maintain their image and maintain marketability. Many live their lives everyday on and off the field to conform to their service contracts. They are like any other employees who feel that they offer a unique talent and want to be accurately compensated in their contracts. The NBA no longer has a monopoly on professional basketball as a sport or a business; European leagues have established themselves in the market and players are looking at all of their options to make sound decisions regarding their professional careers.⁵

This article will look at whether there are sound business issues that could be the force behind top NBA players leaving to play in Europe or if it is just a trend, and like all trends will soon fade away. First, in order to better understand the intricacies of salary decision-making, this article will first examine the Collective Bargaining Agreement (CBA) of sports teams, specifically the NBA. The CBA is a general negotiated agreement that governs the relationship between employers and their employees.⁶ The agreement among athletes and team owners has evolved over the years while continuing to maintain their goal of a viable economic regulatory system and competitive balance.

Secondly, this article will look at the fundamental bases and different goals that drive the negotiations of the United States and Europe's CBA. The fundamental basis that underlies European labor negotiations is vastly different from that of the United States. As it stands, the Euroleagues enjoy a more relaxed agreement or the absence of one unified agreement; leaving the laws that govern sports contracts to be decided by the individual states.⁷

Third, this article will examine the reasons that may underline a player's decision to play in a Euroleague. In the past, playing overseas marked the end of that basketball player's career.⁸ Today, younger, fresher players in their prime are opting to compete on the international level. Not only are they taking into consideration the larger contract options, they are also looking to the dismantling of the United States economy and its position as a world leader. However, owners and management do not see the movement as a threat but an

5. Geoffrey C. Arnold, *Europe calls, NBA Answers*, Oregonlive.com, July 31, 2008, <http://www.oregonlive.com/nba/oregonian/index.ssf?/base/sports/1217474723246870.xml&coll=7> (archive).

6. FUNDAMENTALS OF SPORTS LAW §18:2 (2004).

7. Andreas Joklik, *The Legal Status of Professional Athletes: Differences Between the United States and the European Union Concerning Free Agency*, 11 SPLAWJ 223, 252 (2004).

8. Adrian Wojnarowski, *Europe offers more than a vacation for players*, July 23 2008, <http://sports.yahoo.com/nba/news?slug=aw-nbaeurope072308&prov=yhoo&type=lgs>.

inevitable change that is welcomed.⁹ This article ultimately attempts to predict how professional basketball players' moving to the Euroleagues will generally affect the NBA.

II. BACKGROUND

A. *United States Collective Bargaining Agreement*

The United States collective bargaining agreement (CBA) establishes rules and regulations for labor agreements between employers and employees.¹⁰ In the sports arena the agreements vary from sport to sport, but they by and large relate to issues regarding strikes, lock-outs, club discipline, standard pay, college draft, etc.¹¹ The issues negotiated over generally draw from the goal of economic regularity, which fosters a competitive balance among teams and players. In an effort to obtain its goal several issues that make up the agreement continue to be the subject to ridicule and constant change. Issues that give rise to constant debate include the division of league revenue, as well as age and education requirements.¹² Division of league revenue, at one point, did not pose a problem. This is because the owners had "unilateral power over terms and conditions of players' employment."¹³ The age and education requirement imposed on potential players has wavered over the years; at one point refusing to allow players under 19 years of age such as Haywood, then permitting players such as Kevin Garnett and Kobe Bryant to enter immediately after high school, and finally coming full circle, demanding recent high school graduates spend one year at the college level.

1. *History of United States Collective Bargaining Agreement*

The unilateral power of team owners was originally held through the use of the MLB's and NFL's Reserve clause, the NFL's Rozelle clause, as well as the draft.¹⁴ However, the introduction of player unions reduced the attractiveness of the clauses, which were subsequently weakened through both MLB and NFL arbitration and litigation.¹⁵ After the demise of the Reserve and Rozelle clauses, the sports world was forced to modify its economic regulatory systems.

9. That change is the move of American players to play in Europe.

10. FUNDAMENTALS OF SPORTS LAW §18:2.

11. *Id.*

12. Richard A. Kaplan, *The NBA Luxury Tax Model: A Misguided Regulatory Regime*, 104 COLUM. L. REV. 1615 (2004).

13. *Id.*

14. *Id.*

15. *Id.*

Later attempts to acquire peace of economic regularity were sought through the use of restriction of movement through limitations on free agents and drafting as well as the use of salary caps.¹⁶ Soon it was realized that the two modes of operation did not address all of the goals of the CBA, and were therefore unsuccessful. Efforts to simultaneously obtain economic regularity, maintain a competitive balance among teams, and satisfy both players and team owners, were all satisfied with the introduction of the luxury tax.¹⁷ The idea of a luxury tax materialized in 1994 and was realized in 1997 in MLB's CBA. Although the NBA has a different framework than MLB, there is one common denominator: "the entity taxed is required to pay a specified percentage of the margin by which its spending exceeds the mandated threshold."¹⁸

a. Free Agency

In a free agent's utopia, players could create competition among teams for their services.¹⁹ By restricting movement between teams or instituting free agency requirements, players were disallowed a free market in which players could create competition, which increased market costs.²⁰ Only players who had completed performance under their contracts were allowed to move and bargain with new teams.²¹ Player drafts were also designed to restrict free agency and specifically focused on those entering the league.²²

b. Salary Caps

Although seemingly impermissible as an anticompetitive restriction on trade, salary caps are a legal valid way of limiting trade among players of professional sport teams.²³ The cap models used in the NBA involves a convoluted revenue sharing plan, which places a ceiling on players' salaries for the upcoming season; caps are instituted to restrict both team spending and player earnings.

16. *Id.* at 1618.

17. *Id.* (Mechanisms employed to internally regulate professional sports leagues includes three categories of both direct and indirect salary regulation: free agency, salary capping, and taxing; taxing was intended to address problems the free agency and salary capping could not).

18. *Id.* at 1627

19. *Id.* at 1619 (an unrestricted free agent is a player who completes his duty under his contract and who is no longer subject to any exclusive negotiating rights).

20. *Id.* at 1615

21. *Id.* at 1619

22. *Id.* at 1622

23. *Wood v. Nat'l Basketball Assn.*, 809 F.2d 954, 962, (2d Cir. 1987).

The CBA sets a ceiling on how much a team can spend on players and how much an individual player can make. The desire to limit player salaries, led the league to decide to tax players' share of basketball related income.²⁴ Team caps determine the total amount of money a team could pay to all of its players and forces teams to think critically on which players they can afford, at what other player's expense and determine how close their offer can be to player's actual worth. Initially, team caps were set at a predetermined fixed sum or 53% of the sum of the following formula: "the leagues' gross revenue minus player benefits, divided by the number of teams in the league."²⁵ Most often the team cap was determined by a percentage of basketball related income (BRI), including revenue produced by the league from sources such as ticket sales, corporate sponsorships and broadcast revenue.²⁶ In 1998 players' share of BRI increased four percentage points to 57%.²⁷

The CBA also set out to limit the players' salaries. Hard caps were widely rejected by players, as it left them feeling as if their talent was not being valued.²⁸ Soft caps were not favored by the league as there were many loopholes left for crafty teams and agents to crawl through. Limiting players' salaries is justified on grounds of leveling the economic market and maintaining a relative pay scale. Individual player caps are limits on the amount an individual player can earn. The amount that a team could pay to a player just drafted was also limited in amount. By limiting rookie salaries, the rate of escalating salaries was slowed and allowed those new players time to prove that they were deserving of higher pay, while preventing an upward driven market.²⁹ Salaries of veterans to the sport are also limited to prevent the amount a team could spend on any one player. The cap on veterans will encourage the market to "readjust downward," and a players worth will be judged by comparing their skill with those whose salaries have been limited by the cap.³⁰

24. *Id.* at 1633. Basketball related income is the aggregate operating revenue, including the value of barter transactions, received or to be received on an accrual basis by the NBA, NBA Properties, Inc., including any subsidiaries.

25. *Id.* at 1623.

26. *Id.* at 1624.

27. *Id.*

28. *Id.* at 1633

29. *Id.*

30. *Id.* at 1624.

2. *Luxury Tax*

As a new innovative regulatory system, the luxury tax imposes a penalty on teams that spend above a collectively bargained level.³¹ The appeal of the tax was that it appeared to be a compromise for all involved.³² The goal of the luxury tax was two-fold: (1) find an economic regulatory system that satisfied both the team owners and the player; and (2) allow for a competitive balance among teams and players. Team owners were satisfied, as the tax appeared as prevention of continued spending, acting as a quasi-salary cap; imposing a penalty on teams exceeded fixed spending limit.³³ League players were content with the tax under the general thought that it relieved them of the restrictions of a salary cap and allowed for unlimited salary growth.³⁴

a. How “Luxury Tax” Works

Unable to secure a hard cap, the league instituted an escrow system to which teams would deposit 10% of all players’ salaries for the season.³⁵ In the most recent CBA agreement, the percentage of player salaries withheld declined from 10% to 8%.³⁶ The money in escrow is distributed among team owners to “a point where the player salaries are reduced to that percentage, if there was in fact a spending overage.”³⁷ The escrow system acts as a form of insurance against player salaries rising above a specified percentage of league revenue and penalty against free spending teams.³⁸ The luxury tax penalty comes into play in the event that the amount in escrow does not cover the overage. When the tax is enforced, any team whose players’ salaries exceed 1/29 of 61% of BRI minus his benefits will be assessed a 100% tax rate on any money spent going beyond the penalty threshold.³⁹

b. How the Luxury Tax Plans to Meet the Challenges of League Teams

Team caps proved to be unsuccessful as they were considered “soft caps,” plagued with exceptions and loopholes. Hard caps were not any more successful as players did not accept them. Unable to secure a salary cap, it was decided that taxation on the players’ salaries would

31. *Id.* at 1617.

32. *Id.*

33. *Id.*

34. *Id.*

35. *Id.* at 1626.

36. FUNDAMENTALS OF SPORTS LAW §18:2

37. Kaplan, *supra* note 12 at 1633.

38. *Id.*

39. *Id.*

be the best substitute.⁴⁰ This taxation forces teams who spend over the bargained level, to pay back the league and teams some percentage of what they pay players. The desired outcome is that, by forcing teams to pay back a portion of their profits, they will be encouraged to rework their salary formulas.⁴¹ However, the bargained for level does not have to be an absolute ceiling for those teams who are able and willing to afford it.⁴² By assessing such a penalty, the luxury tax appears to be a viable solution to a regulated economic system.

3. *The Effect of the Luxury Tax*

Season penalty levels are determined at the end of the prior season, making them merely predictions; predictions that have several negative affects. One affect is the “threat effect.”⁴³ Teams’ predictions are incapable of being accurate and as a result are made very conservatively⁴⁴ The conservative predictions prevent teams from spending and players from receiving an excess in pay in amounts ranging from \$1- 3 million. The tax is also stated as the cause for a “marginal effect,” which results in teams signing players that will increase team revenue or value, while ensuring cost of player will not exceed players output⁴⁵ This means that teams will benefit handsomely in comparison to the value of a players actual worth – teams will only sign a player “whose benefit exceeds or meets marginal cost.”⁴⁶ Other criticisms of the luxury tax include the fact that teams will become thrifter – attempting to operate teams successfully on as small of a budget as possible and not paying players at a level that accurately reflects their worth⁴⁷ It has also been said that use of the tax may lead to a greater “disparity in team spending and frustrate the objectives of other important aspects of the NBA’s current CBA”⁴⁸ Another argument is that the robust tax model works against the leagues stated goals.⁴⁹

4. *Age/ Education Requirements*

Today the age and education requirements for prospective NBA players mandate that the player be at least 19 years of age and one

40. *Id.* at 1628

41. *Id.*

42. *Id.*

43. *Id.* at 1637

44. *Id.*

45. *Id.*

46. *Id.*

47. *Id.*

48. *Id.* at 1615

49. *Id.*

year removed from high school.⁵⁰ Prior to 1971, CBA negotiations stated that players had to wait until four years after high school to become eligible for the NBA draft.⁵¹ This restriction on eligibility changed with the case of *Haywood*,⁵² in which a prospective player claimed that the age and education requirement was a violation of Section One of the Sherman Act.⁵³ Justice Warner's decision was three-fold, allowing for an injunction and overturning the leagues draft requirements. On appeal, the District Court stayed the injunction, however, the Supreme Court agreed with the ruling and reasoning of the Trial Court.

Age and Education requirements have wavered over the years and subjected to much criticism. Opponents of the requirement state that everyone benefits from the age and education requirements, except the prospective rookies and fans.⁵⁴ While the potential rookies are subjected to free labor by teams of the National Collegiate Athletic Association (NCAA),⁵⁵ veterans avoid competition against raw talent. Individual club owners also benefit, because they are given more time to scout new recruits.⁵⁶ The requirements do not take into account the financial freedom that entrance into the draft may otherwise provide young destitute players and their families.⁵⁷ There are concerns that if one ineligible player becomes successful overseas, it may "turn the rule on its head."⁵⁸ One player's success could also cause the requirement to lose the support of NBPA, making it a big issue with the union and prove to violate anti-trust laws.⁵⁹

B. European Collective Bargaining Agreement

It is debatable whether the European Union (EU) has the competence to regulate sports through the treaty of the European Community (EC). Because the EU can only govern topics specifically

50. Fundamentals of Sports Law §18:2, see also Marc Edelman, Above the Law: Legal Tabloid, *Sports and the Law: NBA Age / Education Requirement Pushes Jennings Overseas*, July 2008, http://abovethelaw.com/2008/07/sports_and_the_law_nba_ageeduc.php.

51. Marc Edelman, *supra* note 50.

52. *Haywood v. Natn'l Basketball Ass'n* haywood case Victim is injured by being excluded from market he seeks to enter. Competition is being injured. NBA had in essence established their own gov't

53. The Sherman Antitrust Act, 15 U.S.C. § 1.

54. Marc Edelman, *supra* note 50.

55. *Id.*

56. *Id.*

57. *Id.* (Jennings' family was financially crippled forcing him to sign with European team instead of playing for NCAA).

58. *Id.*

59. *Id.*

mentioned in the EC, the treaty created a European Model of Sports.⁶⁰ Although the European Model of Sports addressed issues specific to the world of European sports, it was not a mandatory source of law and consequently had no real legal impact.⁶¹ Yet, the European Court of Justice (ECJ) stated that it must be applied to sports as long as “sports [is] part of an economic activity defined in article two of the EC Treaty.”⁶² As a result of the model itself falling in line with the EC Treaty, it is also subject to the four fundamental freedoms of the Treaty, including free movement of persons, goods and capital, and the freedom to provide services.

The EU’s initial intention behind professional sports was to simply win competitions.⁶³ The influence of state law was very limited, because very little economic interest was involved. As a result of little economic interest, there was a lack of state regulations and private norms of governing bodies developed, referred to as “*lax sportiva*.”⁶⁴ With increasing popularity and economic interest, EU courts held that norms had to be in accordance with national and international law.⁶⁵ The desire for parallelism of the private governing bodies and national and international laws created two columns of legal sports analysis: (1) The national law of a state, including public international law and (2) the *lex sportiva*.⁶⁶ Without common ground it is not surprising that there is not a CBA to govern the employment issues among Euroleague players and team owners.⁶⁷ Matters normally handled by a CBA are governed by the individual states, with the exception of a few countries.⁶⁸ Not having a CBA does not rid European leagues from the issues experienced by U.S. professional teams such as free agency, which is dealt with under the protection of the free movement of workers by the EC Treaty.

C. *Recent Attractions to the Euroleague*

European leagues have played their role as secondary leagues to the NBA, accepting that their strength in sports rested in professional European football (American soccer). Recently, Euroleagues have managed to attract the attention of NBA players of all calibers. Oper-

60. Joklik, *supra* note 7 at 288.

61. *Id.*

62. *Id.*

63. *Id.*

64. *Id.*

65. Joklik, *supra* note 7, at 229.

66. *Id.* at 230.

67. *Id.*

68. *Id.* at 231.

ations that have increased in prestige and resources may be the start to “an irreversible change,” thrusting Europe into a true competitor’s position as a “rival in free agency.”⁶⁹ Enticed by increased salaries, added perks and improved competition, NBA players are no longer looking at Euroleagues as an alternative but a viable option.⁷⁰ LeBron James was quoted admitting to considering going overseas if he could make \$50 million.⁷¹ With larger and in some cases non-existent budgets, European clubs can exceed the NBA mid-level in their bids.⁷²

1. *Economy*

Changes in the United States economy have greatly affected NBA teams and players. The strength of the Euro has increased in relation to the dollar.⁷³ In 2008 the Euro reached an all time high of \$1.54 per Euro.⁷⁴ Toward the close of 2008, the dollar grew stronger, but not strong enough to reclaim its place as the dominant currency. At the close of 2008, the Euro decreased in value to approximately \$1.281 per Euro.⁷⁵ The change in the U.S. government has simultaneously adversely affected the dollar and strengthened the Euro. Economy forecasts do not view the rise of the Euro as a fleeting trend, as some predict the Euro will continue to outshine the dollar well into 2009, climbing back up to \$1.403 by June. Other economists argue that the dollar will not stay down for long. However, a cross-section of strong currencies from powerful countries will emerge, disallowing the U.S. to maintain such a large advantage as before.⁷⁶

2. *Player reasoning*

Historically, NBA players looked to sign with European leagues when their bodies broke down before their hearts were ready to retire. For instance, players such as Dominique Wilkins and Bob McA-

69. Adrian Wojnarowski, *supra* note 8.

70. Arnold, *supra* note 5. (NBA cannot match perks of paying fees and expenses that normally come out of players’ salaries. If a player in EU makes \$2million net, they take home \$2million.)

71. *Id.*

72. *Id.*

73. Mike Cranston, *supra* note 1.

74. *Id.*

75. The Financial Forecast Center, <http://www.forecasts.org/exchange-rate/euro-exchange-rate.htm> (last visited Dec. 10, 2008).

76. Posting of James Pethokoukis to U.S. News, *Capital Commerce America and the Future of the Dollar*, March 5, 2008, <http://www.usnews.com/blogs/capital-commerce/2008/3/5/america-and-the-future-of-the-dollar.html> (March 5, 2008, 15:30 EST).

doo played overseas later in their careers.⁷⁷ In Europe, a player's strength, size and smarts are just as valuable if not more so than his speed and explosiveness.⁷⁸ Players are also beginning to recognize the "crimp" the NBA CBA has put on what teams.⁷⁹ As a result of the lack of spending ability, recent perceptions are that the quality of ownership has also declined as teams try to survive off the smallest amount of money as possible.⁸⁰ Veteran players look to European contracts for accurate compensation for their services. Threat of players taking their talent overseas also serves as leverage for more lucrative contracts in United States.⁸¹ For prospective players, playing abroad simply offers pay for their services.⁸²

III. ANALYSIS

While the league's goal of economic regularity is commendable, its means of ascertaining the goal seems to be counter-productive. Forcing team owners to predict overage of agreed upon team spending puts them at a horrible disadvantage, in that they are forced to spend conservatively and think twice about adding players that can increase the value of their club.⁸³ They are put in a position where they cannot accurately pay players their true worth. As a result players may perceive that their unique skills and talents are being taken for granted. In addition players are noticing a decline in the quality of team ownership, as in the Atlanta and Memphis clubs.⁸⁴ If the decline becomes a trend, players may be forced to jump from a sinking ship.

Enforcing escrow fund allows teams who can and are willing to afford it to continue to overspend. If the CBA is seen as a contract between the club teams, the voluntary overage by able teams can be seen as an efficient breach. In an issue of fairness, this would most certainly be considered unfair to other teams and players. In addition, teams who are boarder-line to exceeding the agreed upon salary cap are at the greatest disadvantage when considering to add a new player to their roster, preventing them from making a competitive offer. The amount offered to the additional player may not reflect the player's

77. Posting of Jonathan Feigan to Chron.com, *A Trend? Not Yet. But NBA Reminded It's a Small World After All*, Jul. 24, 2008, http://blogs.chron.com/nba/2008/07/a_trend_not_yet_but_nba_remind.html (Jul. 24, 2008, 16:48).

78. Adrian Wojnarowski, *supra* note 8.

79. Cranston, *supra* note 1.

80. *Id.*

81. Posting of Jonathan Feigan to Chron.com, *supra* note 77.

82. Edelman, *supra* note 50.

83. Kaplan, *supra* note 12 at 1637.

84. Cranston, *supra* note 1.

actual worth, because the team must consider the amount of luxury tax it will pay on the amount exceeding the salary cap.⁸⁵

The recent decrease in the escrow ceiling from 10% to 8% lowers the amount of taxed player salaries to cover overages. If salaries are not increasing, this could very well lead to less money to cover the overages which would almost invariably lead to consistent taxing of 100% of individual player salaries. The likelihood of overages is nearly moot as an issue here; in 2004 all teams in the NBA went over the agreed upon spending level.⁸⁶

With regard to the age/education requirement, I believe that if a stronger policy for the requirement was enforced it would continue to gain support. However, as it stands, there is no benefit from the rule. Everyone from the profit seekers of the NCAA to the veteran players of the league appears to benefit while the prospects are forced to attend college for at least one year. Many who attend college value it as a logical means to achieving their career goals and becoming productive members of society. Yet, colleges are providing full scholarships to young men who would rather not be there, instead giving them to those who go into debt because they do want to be there.

Prospects that would otherwise be eligible to enter the draft may have a viable alternative in the Euroleagues. Brandon Jennings made that decision and, if he proves to be successful, more age ineligible players may view playing abroad as a more realistic alternative. With or without a strong policy reason I do not believe the players will deem it justifiable. Unless the NBA is willing to completely do away with this requirement, recent high school graduates will continue to take their talent abroad. It may be more economically sound to allow these players entry, especially if doing so would change the game in ways prodigies such as Kobe Bryant, Kevin Garnett and LeBron James did straight out of high school. It is ironic that three of the league's highest paid players would not have entered the league when they did had they been subjected to the age and education requirement that is currently enforced.

Today, Euroleague team owners have bigger budgets and are backed by a stronger economy. By promising bigger salaries with little to no taxes and additional perks, Europe will entice some of NBA's free agents to travel across the ocean. After all, a bigger salary could infer that their services are valued more in foreign lands. Although European team's bargaining power is creating a revolving door for

85. Kaplan, *supra* note 12 at 1638

86. FUNDAMENTALS OF SPORTS LAW §18:2

international play, they appear to have a ways to go before their economic and legal system makes them a leader in the sport. With no true universal CBA or enforceable sports law model, many issues could be left to decisions of first impression or completely unresolved. Stability of the NBA rules, regulations and bargaining tactics may or may not be something veteran players in their prime are willing to risk for more money. However, it is feasible for some players that have capped salaries under the CBA to believe it is worth it. If LeBron James is indeed offered \$50 million to play in Europe, that would be more than the \$20 million he currently earns in the U.S.⁸⁷

IV. CONCLUSION

Just as it took the Euro some time to gain strength against the dollar, I anticipate that Euroleagues vying for young American talent will also gain strength. With the recognition for a united bargaining agreement and the evolving laws of the EU, as well as the momentum gained in 2008 of third and fourth string players going abroad, it will only be a matter of time when quality players will play aboard. No longer will the NBA be able to rely on players wanting to stay in the states for the “competitiveness of the game” as the competition may be equally as strong abroad.

87. Jonah Freedman, *supra* note 4.

