

San Francisco's Candlestick Park: Money, Media, And Politics

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This paper examines specific political, media, and economic forces which were instrumental in the construction of Candlestick Park in San Francisco. It demonstrates that the stadium has been the

subject of a grand jury report, charges and countercharges regarding economic motives of the stadium's contractor, and numerous political debates designed to fashion a remedy for a ballpark which is generally perceived as casting a negative image for major league baseball and the city of San Francisco. Citizens of San Francisco have twice defeated initiatives to build a downtown stadium and South Bay residents of Santa Clara and San Jose have also turned down similar measures.

The refusal by citizens in the above communities to allocate public monies to be spent for the construction of municipal facilities for a professional franchise raises the question: Is it in the best economic interests for a municipality to build a facility to attract or prevent a professional franchise from relocating to another locale? A second purpose of this presentation is to examine the economic viability of building a stadium for a professional franchise.

Candlestick Park was constructed in 1958 as part of a "financial package" to lure the Giants to San Francisco. From its inception the stadium has been the subject of debates prompted mostly by the perception that the park is unfit as a major league facility primarily due to its geographical location in the southeast corner of San Francisco. This part of the city is surrounded by low cost housing, slum areas, strong winds, and generally very cold evenings.

A Grand Jury investigation was conducted in 1958 to probe the financial arrangements the city's Board of Supervisors and Mayor negotiated with the Giants' owners. The Grand Jury's report issued in December, 1958 was highly critical of the way specific financial concessions were granted to the Giants at the expense of generating revenue for the city and clearly implied the stadium contractor Charles Harney had profited at the expense of the city. While these types of financial machinations have become somewhat commonplace when municipalities construct stadiums, in San Francisco's case it reflected the media's aggressive promotion for major league baseball, and the belief of some political leaders that a major league franchise would economically benefit San Francisco.

Recent evidence suggests that the construction of a stadium by a municipality is a losing economic venture. This paper illustrates that despite the widespread belief that a professional franchise promotes economic growth within a specific locale, sports stadiums or franchises are not likely to generate true economic growth, but merely "realignment." Jobs are not created, but diverted from the manufacturing economy to the service economy, or from higher-skilled to lower-skilled (and lower paid) occupations. Similarly, spending on sports activities may only divert spending from other leisure activities, and new business start-ups in the neighbourhood of a stadium may be negated by business failures in other areas or the city. Thus, it cannot be assumed that subsidizing professional franchises and stadiums by the public sector is economically sound.