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Wall Street Applauds A-Rod's Move

Alex Rodriguez's decision to spurn the Yankees and test his worth as a free agent has the team's fans smarting, not just because his big bat will most likely be missing from the lineup next year, but also because the \$30 million a year he is thought to be seeking seems so outsized.

Yet, The New York Times says, even if Rodriguez gets what he seeks, he would still make just a fraction of what many hedge fund managers, real estate moguls and top-flight executives in New York pull in.

Trader Monthly, a lifestyle magazine for Wall Street, annually ranks the income of the top 100 traders in the world. This year, the last on the list made \$50 million, while the top trader earned \$1.5 billion. (Yes, that is "b" as in "billion.")

Even those who fail at their jobs can make more than Rodriguez. E. Stanley O'Neal, the chairman and chief executive of **Merrill Lynch** who, after his company wrote off \$8.4 billion, was expected to resign, could make at least \$159 million in a separation package. That is about as much as Mr. O'Neal made in his less than five years in the post.

Given these kinds of numbers, people in some corners of the city are applauding Rodriguez's goal of adding millions of dollars to his paycheck, even as he gives up the three-year potential of \$91 million left on his contract.

"Not only do I have no problem with it, I'm cheering him on," James L. Melcher, founder and chief executive at **Balestra Capital**, a hedge fund in New York, told The Times. "Ballplayers work every day, they risk serious injury, and they travel all the time. I don't begrudge him a penny."

"Too many C.E.O.'s," Mr. Melcher added, "get appointed because they were just there, and then they stuff the board with their friends, and their compensation goes up and up and up regardless of how they perform. That's not the American way."

Even some Yankee fans who are crying about the loss of Rodriguez, who is favored to win the Most Valuable Player award, say he and his agent, Scott Boras, are right to seek whatever the market will bear.

"Boras has the No. 1 company in the baseball world, and if he's not taking the company public, he's an idiot," Ty Wenger, the editor of Trader Monthly, told The Times. "By going, he allows the other 29 teams to create a feeding frenzy."

There are some financiers who say Rodriguez could make more by sticking with the Yankees, even if it cost him a few million dollars a year. The Yankees, they reason, are the best brand in sports, and by staying with them until his retirement, Rodriguez could make even more in endorsements and

investments with business executives.

“It’s a very shortsighted decision that does not take into consideration how he could translate New York into his post-career career,” Joseph P. Beninati, a partner at **Antares Investment Partners**, a high-end real estate firm based in Greenwich, Conn., told The Times. “New York has the most influential businessmen. He might make a few extra million per year, but he’s giving away the relationships.”

Athletes like Tiki Barber, Magic Johnson and Tom Seaver, he said, have become successful businessmen because they cultivated relationships they made in Los Angeles, New York and other financial capitals.

Still, if Rodriguez invests the money from his next contract wisely, it may not matter much how much more he earns after he retires.

“There’s nothing coldblooded about it,” Daniel Alpert, a partner at **Westwood Capital**, a boutique investment bank in New York that specializes in mortgage and related securities, told The Times. “He’s pricing himself to what the market will bear. This isn’t charity.”

After all, the cost of living for the superwealthy is rising, too. The fanciest town houses, condominiums and estates from Manhattan to Greenwich routinely cost more than \$10 million.

Earlier this year, a three-bedroom condo at the Ritz-Carlton New York at 50 Central Park South sold for \$27 million.

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