

# Grave dangers in the film and television writers strike

By Andrea Peters and David Walsh  
5 February 2008

*Click here to download this article as a leaflet.*

According to press reports, in closed-door negotiations over the weekend leaders of the Writers Guild (WGA) and the Alliance of Motion Picture and Television Producers (AMPTP) came to a tentative agreement in the three-month old film and television writers strike. While the two sides have yet to reach final terms of a contract, the media reports that the WGA board may vote on a proposed agreement as early as this coming Friday and call off picketing at Hollywood's major studios.

Thus far, neither the WGA nor the AMPTP has released any details of the potential agreement, due to a media news blackout. Nonetheless, every sign would indicate that the deal being hammered out is a betrayal of the writers' struggle.

The facts have to be looked at in the face. The studios and networks have waged war on the writers since July, demanding major concessions and rollbacks. They have paid public relations firms hundreds of thousands of dollars to smear the writers as overpaid crybabies. They have staged provocations of various kinds and broken off or resumed negotiations when it suited them. They have leaked lies to the press about 'progress' in the talks to put pressure on the guild leadership. They have encouraged or invented divisions in the WGA for the same purpose.

The Hollywood executives, as one writer commented recently to the WSWS, are essentially "criminals." For them and the massive conglomerates they serve, billions of dollars are at stake, under conditions of an unraveling economy.

According to the press, the most recent 'informal' talks were attended by News Corp. President Peter Chernin, Rupert Murdoch's right-hand man, and Disney Chief Executive Robert Iger, two of the most ruthless figures in the industry. Chernin was reportedly boasting Sunday that the "strike is over."

The notion that a contract that genuinely guarantees writers decent living standards and protections could emerge out of secret, chummy conversations between the WGA and studio chiefs is absurd. The deal is essentially being dictated on the corporations' terms, perhaps with a few items thrown in to save the WGA leadership's face.

The immediate context of the talks points in the same direction. The template for the deal, with this or that modification, is the agreement reached between the Director's Guild of America (DGA) and the AMPTP two weeks ago. The DGA contract was widely seen by rank-and-file writers (and actors) as a miserable one.

A central issue in the current strike involves compensation for the reuse of the writers' work on the Internet and other forms of digital media. The deal reached with the DGA in January provides for paltry increases on both Internet advertising-supported streaming and electronic sell-through (downloads).

The DGA deal slightly more than doubled the residual rate for downloadable film and television. If applied to the WGA contract, this would increase the residual rate from the current level of 0.3 percent to 0.65 or 0.7 percent of the distributor's gross (depending on whether it's a download of a feature film or a television program). As the WSWS remarked on January 21 in response to the news of the DGA contract, "Two times a pittance is still a pittance."

Moreover, the increased rate will only apply after 50,000 (for feature films) or 100,000 downloads (for television shows). Many downloads may never reach that level.

Similarly, the directors' leadership agreed to a maximum of a one-time \$1,200 payment for a year's worth of re-use of material on streaming ad-supported media.

Actress Justine Bateman, in a comment on the *United Hollywood* blog, noted that the DGA deal was a massive money-making coup for the studios. She pointed out that "Currently, writers and directors both make approximately \$20,000 for the first prime-time rerun of an hour-long episode. The residual gradually decreases on any later reruns (if the writer or director is lucky enough to get more reruns). So the directors' deal potentially gives up 97 percent of the first prime-time residual while the corporations can 'rerun' their work infinitely over an entire year."

According to the *Los Angeles Times* on Sunday, the WGA deal includes "more favorable pay terms for streaming than those offered to the directors." Even a substantially larger figure, however, would still represent a massive concession.

The media is also hailing as a gain for the WGA over the directors a provision for "separated rights," by which writers would get additional payment for shows that are initially aired online but eventually transformed into a television pilot. This, however, will only affect a limited number of writers, particularly given the fact that the studios intend to use the strike to permanently reduce the use of pilots in the production of new shows.

A *New York Times* article published February 4, "Strike May End Soon, but Writers May Confront a Hostile Hollywood,"

reported the following:

“In Las Vegas last Tuesday, Mr. Zucker [Jeffrey Zucker, CEO of NBC] told attendees at an industry convention that he planned to streamline his network’s development of new series, slashing the number of pilots to five or six from three times that many. Mr. Zucker’s wasted dollars, of course, have historically been a bonanza for not just writers, but the directors, actors and craftsmen who work on these unseen pilot episodes.”

The *Times* article went on to assert that the end of the writers’ strike will be seen by the entertainment conglomerates as an occasion to launch a deepening assault on the living standards of writers, actors and directors.

“In interviews last week, lawyers and others—some of whom were granted anonymity to avoid derailing talks—cautioned that a post-strike world appeared likely to bring more imports from foreign television, diminished spending on expensive pilot episodes and even more reality programming,” noted the newspaper.

One of the concessions that the WGA leadership made in late January in its negotiations with the AMPTP was the rescinding of its demand for jurisdiction over animation and reality show writers, who are not currently covered by the guild contract.

A critical element of the DGA deal that will be likely carried over to any WGA contract is a provision that current levels of compensation will be reviewed and readjusted in three years. As the writers should have learned from their bitter experience with videos and DVDs, a ‘reevaluation’ will only work one way. If the companies are losing money or can claim they are, they will demand decreases in compensation. They will never, without an all-out battle, accept increases.

It is safe to predict that the contract proposal that the WGA leadership will reportedly unveil this week will be a concessions deal.

The secret negotiations themselves are a formula for disaster. Everything about such a process favors the companies. The studios chiefs demand a media blackout because it paralyzes and demoralizes the strikers, while a deal is worked out behind their backs by the ‘big shots.’ Many writers are rightly suspicious and mistrustful of such a process.

WGA West President Patric Verrone, along with chief negotiators David Young and John Bowman, are reportedly going to present the terms of the deal to the WGA’s negotiating committee on Monday. Indications are that the guild leaders will present the negotiating committee and the membership with an accomplished fact, more or less, which will quickly be brought before the guild’s board as early as Friday. If previous Hollywood strikes are anything to go by, the writers will be told to return to work before the exact details of the contract are worked out.

The guild leadership may well borrow arguments that have been heard countless times as sell-outs have been pushed through. They will say, ‘This is the best we can do, given the circumstances,’ ‘We’ll live to fight another day,’ ‘We must stay united,’ etc. This is all humbug, to cover up their own political and social bankruptcy. In fact, what the union bureaucracy counts on is the exhaustion and demoralization of the membership.

The WGA leadership is pursuing a settlement on unfavorable

terms precisely at the point when the studios and networks are facing real difficulty. If actors were to refuse to cross picket lines to attend the Academy Awards ceremony, this would not only cost the studios, television networks and advertisers tens of millions of dollars, it would be a major political embarrassment. This is no doubt causing disquiet in corporate boardrooms and in Washington as well. The cancellation of the Oscars, on account of a strike, would reveal ugly truths about the state of social life in the US before an international audience.

A recent piece in *Variety* indicated that if the strike were to continue for an additional 60-90 days, “the direct amount of lost spending on TV and film production could reach \$3 billion, according to an industry study conducted by informed sources.” Such a calculation includes the cost of canceling pilot season, when dozens of new television series are tested out and evaluated. Losses to film production, concludes *Variety*, could amount to \$1 billion.

From a purely trade union point of view, the strike is at its strongest point. With public support and writers’ solidarity still strong, the industry faces a crisis. *Precisely because of that*, immense pressure is being brought to bear on the guild leadership to capitulate. Everything is determined by the industry’s timeline.

The writers are locked in a struggle with multi-billion dollar corporations. The studios are subsidiaries of massive conglomerates that play a major role in the world economy and have the deepest ties to the both parties of the US political establishment. These companies, which also face the reality of economic slump, see the writers and their demands as obstacles to the accumulation of profits.

The issues facing the writer—including their right to create in an honest and critical fashion—cannot be resolved on the basis of militant trade union struggles alone. They go to the essential nature of American capitalist society, its entire political and economic set-up. There is no way forward without challenging the power and dominance of Disney, News Corp., Time Warner, Viacom and the rest of the giants that have a financial and cultural stranglehold over film and television.

We urge the rejection of any contract that fails to meet the writers’ demands and needs and the extension of the strike to the entire field of film and television production, but, beyond that, an orientation to the fundamental political problem of our time: the emergence of a politically independent, socialist movement of the working class consciously aimed at transforming society.

To contact the WSWS and the  
Socialist Equality Party visit:

<http://www.wsws.org>