Media, employers use Directors Guild deal as a battering ram against striking writers

Dan Conway, David Walsh
21 January 2008

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

In the wake of the agreement reached between the Directors Guild of America (DGA) and the major studios and networks last week, immense pressure is being exerted on striking film and television writers to surrender on the conglomerates' terms. The more than 10,000 writers have been on strike since November 5.

The media is lauding the DGA agreement for doubling the current rate for paid Internet downloads, but that rate is the infamous one that was agreed to by the Writers Guild (WGA) leadership for videocassettes in the 1980s and later carried over to DVDs. Two times a pittance is still a pittance.

Regarding ad-supported Internet streaming, the Directors Guild leaders accepted a residual-free 17-day window (a 24-day window for a series in its first season) and a flat fee of some $1,200 within the first year after the initial broadcast. This is a miserable amount, which would not provide writers with reasonable compensation for their efforts. The studios and producers get all the revenue from the first few weeks of ad-supported streaming, when the product will be most widely viewed.

In reality, if the terms agreed upon by the DGA leadership are forced on the writers, it would constitute a defeat and open the door for new attacks on the conditions of every section of workers in the film and television industry.

Intentionally or not, the DGA leadership has become part of the effort to drive back the writers and force them to submit to the Alliance of Motion Picture and Television Producers, (AMPTP), which remains steadfastly opposed to the writers' entirely legitimate demands.

Predictably, various media outlets have used the DGA deal to highlight the supposed obstinacy of the writers. A January 18 column in the *Los Angeles Times*, for example, complimented the DGA for being, "less confrontational with studios." The article also went on to claim that, "DGA studies also buttressed the studios' position that the future of the entertainment business on the Internet is less certain and developing more slowly than writers contend."

As a result of their 'less confrontational' approach, claims the *Times*, the directors "were able to forge a compact with the big Hollywood studios in relatively short and peaceful order."

Variety chimed in along the same lines as the *Times*. It quoted the comment of one "veteran agent" who declared, that "the writers can strike until the end of time and they will not do better than the directors did.... It is time to stop this." Numerous extremely wealthy agents, producers, actors and others have been quoted to the same effect over the past several days, that the writers should now 'see reason' and get back to work. None of these people will suffer if a rotten deal is shoved down the writers' throats, so why should anyone pay the slightest attention to their comments?

Variety also praised the informal and amicable character of the DGA-AMPTP negotiations, which "helped it make a pact better than many thought the studios would give." This is pure propaganda, designed to make the writers lower their guard.

Knowing the intransigence and relentless greed of the studio and network executives, writers should be suspicious of any deal reached through such friendly discussions. Nothing has ever been won from the Hollywood hierarchy without a ferocious struggle.

If the conglomerates were obliged to pay out a little to reach a deal with the directors, one can be certain that their accountants are working out how many billions they will make in the future if writers and

© World Socialist Web Site

actors accept similar terms.

AMPTP lead negotiator Nick Counter said that "we invite the Writers Guild of America to engage with us in a series of informal discussions similar to the productive process that led us to a deal with the DGA." Come into my parlor, said the spider to the fly.

The AMPTP's attempt to strike an amicable tone little more than a month after storming out of negotiations with the Writers Guild is a fraud. Their arrogant walk-out revealed their real attitude towards the writers. The AMPTP demanded at the time that Guild negotiators take many of their major demands off the table.

The producers are most likely expecting that the WGA will follow the precedent set in the lengthy 1988 strike. Then, as now, the DGA settled first, and the writers are expected to again follow suit. Dick Wolf, executive producer of TV's "Law & Order" series, recently stated, "The bottom line here is: This town should be back to work in three weeks."

At the conclusion of the 1988 strike, the WGA agreed to a mere 0.3 percent residual rate for the first million of reportable gross on the sale of VHS media. This formula was later repeated for DVD sales. The AMPTP negotiators, led by Nick Counter, successfully argued that writers should sacrifice a substantial portion of their residuals to allow for growth in this "unproven" market.

Today, writers are again being told they are making unreasonable demands of an unproven market and that they must instead sacrifice accordingly.

Furthermore, any settlement reached with the WGA would set the tone for negotiations with the 120,000 member Screen Actors Guild whose contract expires June 30.

If the writers strike is settled on terms similar to those reached by the DGA leadership, it will only be the thin end of the wedge. The companies will not 'revisit' the issues in three years, they will simply ask for more concessions in their drive to cut costs at the expense of writers and other workers in the industry.

The AMPTP is also using the Directors Guild deal as a means to isolate the writers prior to the Academy Awards show. DGA chief negotiator and Oscars producer Gil Cates sardonically said of the recent negotiations, "I hope it helps the writers."

The Academy Awards garnered 40 million viewers and $80 million in advertising revenue in 2007, and movie sales and rentals skyrocket as a result of Oscars publicity. The show also accounts for the highest hotel occupancy in the city of Los Angeles in any given year.

While the writers' strike recently cost the studios $10 to 20 million in lost Golden Globe Awards advertising, the latter will ruthlessly fight to keep the Oscars running.

Studio representatives are confident that the ceremony will proceed as planned. Producer Gil Cates was recently quoted as saying, "I don't want to say 'read my lips,' but it's not going to be canceled."

Cates' bravado has been echoed by other sections of the Hollywood establishment. No arrangements have yet been made to cancel the Oscar nominee luncheon at the Beverly Hilton in Beverly Hills, California and *Vanity Fair* magazine is making no plans to cancel its famous Oscar night party.

The DGA deal underscores the intransigence of the conglomerates and the bankruptcy of a strategy based on trade union tactics. The writers and every worker in the industry are up against massive transnational corporations, the major media outlets and the political establishment.

The writers can be successful to the extent that their strike becomes politicized, radicalized and makes as its conscious goal ending the corporate stranglehold over the media and the entertainment industry. The writers' problem is the profit system, and the emergence of a socialist-minded layer of writers, actors and others is essential to finding a way forward in Hollywood.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site