

# Philadelphia Orchestra files for bankruptcy protection

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The board of the Philadelphia Orchestra voted April 16 to file for Chapter 11 bankruptcy protection. Claiming projected revenues of only \$33 million and expenses of \$46 million, the board will seek reorganization, continuing its schedule of concerts but allowing it to rip up contracts.

The 55-member board voted overwhelmingly to enter bankruptcy proceedings, with five musician members casting votes in opposition. John Koen, a cellist and the bargaining representative for the musicians, said, “The musicians are extremely opposed to this because it’s unnecessary and it would be damaging to the institution. It’s absolutely the wrong decision.”

Board chairman Richard Worley, a former CEO of Morgan Stanley Dean Witter Investment Management, claimed that the bankruptcy filing “gives us a better chance of raising the investment funds that are needed to revitalize this orchestra over the next five years. We need a fresh start. We need to escape contractual entanglements that we cannot possibly afford.”

Among these “entanglements” are current pay scales and pensions for the musicians. Management claims pension obligations of \$46 million, although the musicians dispute this figure and put the amount at about \$8 million.

The Philadelphia musicians distributed leaflets before their scheduled concert last Thursday night calling on the audience and other supporters of the orchestra to oppose the bankruptcy filing. When they finished they returned to the stage to a loud ovation.

Contract negotiations between the musicians and management have been stalled since the previous contract

expired last year. Salaries have been frozen since 2008. Management has called for cuts of 16 percent in musician salaries.

The Philadelphia decision comes only six days after the end of the bitter six-month strike at the Detroit Symphony Orchestra, which began last October. (See “Musicians to take large pay cuts in Detroit Symphony deal”) The timing of the move is likely not accidental, with management emboldened by the outcome of the struggle in Detroit, which resulted in huge pay cuts and other concessions imposed on the musicians.

The Philadelphia action is part of a deepening financial crisis affecting cultural institutions throughout the US, especially in the musical field. In recent months both the Honolulu Symphony and the Syracuse Symphony in upstate New York have ceased operations.

Just one week ago, the New York City Opera, which has scaled back operations and faced financial difficulties in the last few years, announced that it was putting off the announcement of its 2011-2012 season until it had made progress on eliminating a \$5 million budget deficit. “We will announce the season when our artistic group is comfortable with whatever it is they want to announce,” said new City Opera chairman Charles Wall. “They won’t do that until we sign off on a balanced budget” for the next fiscal year.

Contracts with the City Opera chorus and orchestra expire in the next few months, and contract negotiations have not yet begun. “Everything is going to be discussed and is on the table, and everybody is going to have to participate,” warned Mr. Wall, a former vice chairman of Philip Morris International. These words also take on added significance in light of the Detroit strike, where this

same phrase, that “everything had to be on the table,” became the mantra of those pursuing massive cuts.

The Philadelphia is by far the most prominent orchestra ever to seek bankruptcy protection. It is one of the fabled “Big 5” of US orchestras, along with the New York Philharmonic, Boston Symphony, Cleveland Orchestra and Chicago Symphony Orchestra.

Although this media- and critic-designated list of the top orchestras is somewhat out of date, with institutions such as the Los Angeles Philharmonic, San Francisco Symphony and St. Louis Symphony Orchestra having drawn critical raves in recent years, there is no question of the place of the Philadelphia in classical music circles over the past century and continuing today. One of the oldest US orchestras, it was founded in 1900, first achieved prominence under Leopold Stokowski in the second and third decades of the 20th century, and then became especially renowned under the leadership of Eugene Ormandy from 1936 to 1980. The long-playing recordings of the Philadelphia under Ormandy introduced music to millions throughout the world.

The crisis at the New York City Opera, the Philadelphia Orchestra and elsewhere is usually ascribed to aging and dwindling audiences, the difficulty in attracting young people to concerts of classical music, and the ongoing economic downturn.

All of this is true. Ticket prices are beyond the reach of many young people, not to speak of poorer sections of the working class or the vast numbers who must watch their every penny in times of escalating inflation, continuing unemployment and job insecurity. In addition, however, there is a more profound cultural malaise.

There is interest and potential in broad layers of the population that do not usually attend concerts. This has been shown by the work of the Los Angeles Philharmonic under its young conductor Gustavo Dudamel, but that effort is itself limited and quite unusual. Music education has all but vanished from most of the country’s public schools. It is no wonder under these circumstances that audiences in many areas are aging.

The Los Angeles and San Francisco music scenes are to some extent exceptions to this trend, and the situation is also masked in part in cities such as New York, where the

sheer amount of corporate and attendant wealth still often fills Carnegie Hall, the Metropolitan Opera and other major venues.

Overall, however, the present situation illustrates the priorities of 21st century American capitalism. The rising power that led to the founding of orchestras such as the Philadelphia at the turn of the 20th century can no longer afford nor has any interest in such “luxuries.” The present social order provides billions for bank bonuses and imperialist war around the world, but is stripping culture of whatever public funding it ever enjoyed. This is part of the onslaught on all of the social reforms of the past century and more.

Non-profit cultural institutions like the Philadelphia Orchestra must “pay their own way,” but at the same time they are controlled from top to bottom by the same ruling elite that has plunged the country and the entire world into the biggest crisis in generations. These parasites are complaining that musicians are too highly paid, and that pensions must be sacrificed because “there is no money.”

The musicians of the Philadelphia Orchestra and other artists and cultural workers must study the lessons of the struggle of their counterparts in Detroit, as well as the experiences of public employees in Wisconsin and workers everywhere. The defense of art and culture requires a political struggle and a break with the Democratic Party, above all the fight for a socialist program.

The fate of music cannot be left in the hands of the latter day aristocrats such as those with whom Haydn and Mozart had no choice but to contend. The cultural patrimony must be taken out of the hands of the tiny handful of multimillionaires and billionaires and placed in the hands of the population as a whole, as part of a democratically planned economy.



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