

Hundreds laid off at Activision Blizzard and other video game companies

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On February 12, Activision Blizzard laid off 800 workers despite earning record profits in 2018. The layoffs took place as CEO Bobby Kotick delivered a report detailing the company's earnings to shareholders in a conference call, a move that is reminiscent of that of GM CEO Mary Barra, who reiterated her commitment to the profit interests of shareholders and investors after announcing the elimination of 14,000 jobs and the closure of five plants in the US and Canada.

Activision Blizzard is the result of a merger that occurred in 2007 between Activision, Inc. and Blizzard's parent company, Vivendi, S.A. On the Activision side, the company is responsible for titles such as *Call of Duty*, *Spyro*, and *Crash Bandicoot*, while on the Blizzard side, the company is known for *World of Warcraft*, *Starcraft*, and *Overwatch*. In terms of profitability, it is the largest game company in the Americas and Europe. Its annual revenue for 2018 was \$7.5 billion, which was a 6.88 percent increase from 2017.

Just over a week after Activision Blizzard made its announcement, another developer announced it was laying off workers as well. The studio ArenaNet, responsible for the titles *Guild Wars* and *Guild Wars 2*, informed workers on February 21 that it would be cutting a substantial portion of its workforce. ArenaNet, a subsidiary of the Korean publisher NCSoft, employs around 400 workers, and although no official amount has been revealed, it is believed the company will eliminate at least one third of its workforce.

In Australia, Electronic Arts (EA) has carried out massive layoffs at its mobile development studio FireMonkeys, which is based in Melbourne. The studio, one of the largest in the country, is the result of a 2012 consolidation between IronMonkey Studios and

FireMint. The studio employs some 200 people, and it is suspected that anywhere from 80 to 100 have been let go.

EA, for its part, is the second-largest gaming company in the Americas and Europe. It is responsible for various sports-related titles, as well as franchises such as *Battlefield* and *The Sims*. In 2018, its revenue was \$5.15 billion, a 6.3 percent increase from the previous year.

The advances in computer technology over the past two decades have allowed the global video game industry to take up a significant portion of the entertainment industry market, eclipsing both the film and music industries. In 2018, the global value of the video game market was \$115.34 billion, which is projected to increase over the coming years as mobile gaming, eSports and virtual reality are poised to take off.

The industry has become a cultural institution as well. Every year, thousands flock to various conferences and expos across the world, often dressed as their favorite characters, a practice known as cosplay. The video-streaming service Twitch, where users can watch and broadcast gameplay, boasts 140 million monthly unique viewers and 15 million daily active users. The Akihabara district in Tokyo, Japan, is dedicated, in part, to video games.

The cultural significance and artistic potential of video games have imparted a sense of prestige to those who work within the industry. Often, this is exploited to justify what is known as "crunch," which is days or weeks in which workers are subjected to drastically increased work hours with little to no time off.

Following the publication of an interview with the head writer of the 2018 game *Red Dead Redemption 2*, where he claimed to have put in "100-hour weeks"

during the final stages of development, many of those within the industry have come forward with their own experiences.

Andrew Weldon, a senior technical designer at developer Bungie, wrote on Twitter, “In my career, I have worked 36 consecutive hours over a weekend in the midst of working 80+ 7 day weeks for several months straight. My sleep schedule didn’t recover for 5 years. One of our teammates who pushed himself further went on 6 months medical leave.”

Another, Job J. Stauffer, wrote, “It’s been nearly a decade since I parted from Rockstar, but I can assure you that during the GTA IV era, it was like working with a gun to your head 7 days a week. ‘Be here Saturday & Sunday too, just in case Sam and Dan come in, they want to see everyone working as hard as them.’”

One worker named Jared Rea, who was employed as a Quality Assurance (QA) tester at Atari, worked “12+ hour days” consecutively for “weeks on end.” Describing the impact this had on his life, he wrote, “After a few weeks I wasn’t able to eat, sleep, or function. I spent lunch breaks in my car, either trying to nap, or crying, or both.” As development wound down, he was eventually laid off.

For all of the grueling hours that workers are subjected to, and the impact this has on their health and social lives, none of it guarantees their job security. There is a constant pressure to perform, to ensure a game’s success, or else be terminated. In an article on the website *Compelo*, the author describes the experience of a worker named Tommy Millar:

“According to Tommy, the boss said: ‘We need to get this game to 60 frames per second and we need to get 85-plus on [review aggregator] Metacritic or some of you won’t have jobs to come to in the New Year.’ Alongside the ultimatum from the head of the studio, someone from HR was tasked with going from desk to desk, tapping people on the shoulder and asking them to leave.”

In order to address the working conditions within the video game industry, there are those calling for workers to unionize in order to pay dues to one of the corrupt anti-worker organizations which conspire with management to enforce concessions and take bribes to negotiate contracts favorable to management. The Socialist Equality Party rejects this call, and instead

insists that workers form their own independent rank-and-file workplace committees, democratically elected by the workers themselves to expand and unite their struggle with other sections of the working class, including teachers fighting to defend public education, hyper-exploited Amazon warehouse workers and auto workers fighting against layoffs and plant closures.



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