

The writers guild strike of 2007-2008

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Introduction After many years of relatively peaceful labor relationship between the various factions in Hollywood, this movie industry was hit by a controversial three-month writer's strike in late 2007 (Levin 1). In a bid to garner more pay from online distribution of movies and music, television deals, and DVD residuals, the Writer's Guild of America (WGA) resorted to striking against the AMPTP or the Alliance of Motion Picture and Television Producers. Cause of the strike Pundits believe that the root cause of the strike was some disagreements over revenue sharing from digital media. Regular renegotiations of minimum basic agreements or standard contracts between the AMPTP and the WGA hit a dead end hence the strike. After the talks between the two warring factions regarding standard contract flopped, WGA went on strike in retaliation. Considering that there was a significant growth in DVD production with a low production costs, both the AMPTP and WGA had the right to equal share of the profits (Murray and Ouellette 37). However, the AMPTP took a huge share of the profit, and this infuriated the WGA because they were behind the shows and movies put in the DVDs. The 100-day strike ended on February 12, 2008 after the WGA members conducted a unique vote to end the strike. Bennett, Strange and Spigel (56) assert that during the vote, 92.5 percent of these members voted to lift the restraining order; thus, the writers went back to work. Effects of the strike This strike caused substantial losses in terms of personal income, employment, salaries, and wages.

According to (Banks 28), the effect of this strike was experienced throughout 2008, especially in Los Angeles. It is believed that the strike led to a loss of

over 37, 000 jobs and \$2. 5 billions in lost output. Total salaries and personal income declined by \$2. 3 and \$3.

1 billion, respectively (Klowden and Chatterjee 7). For the 100 days, the entertainment industry was literally paralyzed as writers took to the streets, and as a result, movie and television production shut down.