Leonardo Giorgini

Rescue in the Arts

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## Forced Labor and Illegal Employment in the Entertainment Industry

When people from all over the world come to Hollywood, they expect to find work. However, the relationship between employer and employee can and often does turn abusive, ranging from verbal rancor to physical violence. In some cases, people are forced to perform work that they do not wish to perform by threat, and in others, the fear of losing their job leads employees to accept working conditions that they did not initially agree to.

One end of the extreme is the misclassification of people who are effectively employees as unpaid interns. Under relevant state and federal laws, an intern is a person who works primarily for educational benefit, and thus is not entitled to wage and hour protections, such as minimum wage. Indeed, many internships are entirely unpaid, a phenomenon that is both exploitative of the labor that they provide and exclusionary towards interns who cannot afford to work for free. A well-known example of this is a case that arose from the production of the movie *Black Swan*, in which two interns, Eric Glatt and Alex Footman, alleged that they were instructed to perform office and administrative work on set, without being paid. To be clear, there were no allegations of physical force, or of kidnapping, or of extortionate demands made; instead, this was a run-of-the-mill case of misclassification, allowing an employer to obtain work for free

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Blair Hickman and Jeremy B. Merrill, "Unpaid Interns Win Major Ruling in 'Black Swan' Case — Now

What?" *ProPublica* (June 12, 2013), <a href="https://www.propublica.org/article/unpaid-interns-win-major-ruling-in-black-swan-case-now-what">https://www.propublica.org/article/unpaid-interns-win-major-ruling-in-black-swan-case-now-what</a>.

that they would have otherwise had to pay for or do themselves. In that case, the lower federal court issued a ruling in favor of the interns, which was ultimately reversed on appeal.<sup>2</sup> Although that reversal could have set a precedent in favor of exploitative industry practices, it did not kill the case completely, and the following year, it settled.<sup>3</sup> While the plaintiffs themselves received payouts only in the thousands of dollars, the result of the case was that studios began to reevaluate their internship programs, and converted many into paid positions. They sensed that the legal winds were blowing against them, and that, even though they were able to drag out this one specific case, carrying on would likely cost them more in the long run.<sup>4</sup> This case demonstrates two factors that are always at play in employment cases: while employers generally have the upper hand, they are not immune from shifts occurring outside of their control, and so it is often in their interest to change their behavior, even if the law appears to permit specific actions that have been the subject of complaints.

The question of intern classification is one that arises in all sorts of employment contexts, including those far removed from entertainment. The primary question concerning how a person can be classified is who benefits from their work. If their work is primarily focused on teaching them, then they can be classified as interns.<sup>5</sup> If, however, they are displacing existing employees—that is, performing work that would otherwise have been paid—then they, too, are entitled to employee status, and all the

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<sup>&</sup>lt;sup>2</sup> Thom Geier and Joe Otterson, "Black Swan' Intern Legal Victory Reversed by Court of Appeals," *Yahoo* (July 2, 2015),

https://www.yahoo.com/entertainment/black-swan-intern-legal-victory-reversed-court-appeals-1644051 66.html.

<sup>&</sup>lt;sup>3</sup> Dominic Patten, "Fox Settles 'Black Swan' Interns Lawsuit After Five Years," *Deadline* (July 12, 2016), <a href="https://deadline.com/2016/07/black-swan-intern-lawsuit-fox-settles-1201785666/">https://deadline.com/2016/07/black-swan-intern-lawsuit-fox-settles-1201785666/</a>.

<sup>&</sup>lt;sup>4</sup> In 2015 and 2016 alone, NBCUniversal, Viacom, Warner Music, and SiriusXM paid out \$19.1 million in settlements arising from illegal intern classification lawsuits. See "The Intern Dilemma: Here's Why You Pay Your Interns," *Inc.* (December 28, 2020),

 $<sup>\</sup>underline{https://www.inc.com/thomson-reuters/the-intern-dilemma-heres-why-you-pay-your-interns.html}.$ 

<sup>&</sup>lt;sup>5</sup> Geier and Otterson.

rights that follow. What muddies these waters is a job that promises an "in" with an industry, requires real work, and has educational value that consists solely of learning by doing.

On the other extreme is forced labor, a modern day form of slavery that is both criminal and unconstitutional. A recent and eye-catching example is that of Nicole Daedone and Rachel Cherwitz, who were convicted in federal court of using social and psychological coercion to induce women into performing sexual wellness exercises that were offered to paying clients. While certainly not traditional entertainment, the company in question, OneTaste, had its connections to the industry. Even this case, styled as it was a prosecution for forced labor conspiracy, did not involve kidnapping or violence; instead, the defendants were accused of alienating their victims from existing relationships and threatening to leave them socially isolated unless they complied with the organization's demands. People in the entertainment industry are more vulnerable to this type of coercion than the general public, for several reasons. First, in Hollywood, reputation matters, and a reliable way to ruin a person's career is to slander them as "unlikeable," "difficult," or unpleasant to work with. Second, as is well known, this industry is rife with sexual misconduct, and a young woman looking to find her way would be likely to seek out mentorship and friendship with other women, and the loss of this would provoke a sense of vulnerability and helplessness. And third, once a person commits to an environment that entails sexual behavior considered odd or abnormal by the majority, they may feel as if they have to justify it to themselves, lest they internalize this sense that they are doing something wrong. Of course, stroking another person's

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<sup>&</sup>lt;sup>6</sup> Nina Pullano, "Demanding verdict reversal, convicted sex cult leaders say feds violated First Amendment" *Courthouse News Service* (July 9, 2025), <a href="https://www.courthousenews.com/demanding-verdict-reversal-convicted-sex-cult-leaders-say-feds-violated-first-amendment/">https://www.courthousenews.com/demanding-verdict-reversal-convicted-sex-cult-leaders-say-feds-violated-first-amendment/</a>.

genital region as a means of meditation is not wrong, so long as all involved consent, and the condemnation ought to be placed solely on those who bring in nonconsenting participants. But survivors do wind up blaming themselves, a fact that serves only to embolden the abuser and permit further harm.

Much like the *Black Swan* interns case, the OneTaste saga entailed offering one type of work and then relying on expectations to compel additional work. In both cases, a person who refused to do as they were told risked not only losing their immediate job, but also the withdrawal of all the relationships they had made or stood to make in the broader industry. While coerced sex work is certainly more of a violation than illegally classified office work, the basic principles are the same: an employer dangles a promise and then demands more, and the employee has little choice but to go along. But the details do matter. In their defense, Daedone and Cherwitz maintained that the workplace environment at OneTaste, while certainly unconventional and not for everyone, did not entail the type of coercion that would turn ordinary employment into criminal forced labor. Indeed, even though they were convicted and are awaiting sentencing, they have not been fully damned in the court of public opinion, which appears to consider them innocent of what society deems criminal. It is not apparent whether they would be more or less sympathetic if the type of work they allegedly coerced from others was secretarial or traditionally manual, rather than sexual.

Perhaps the most eye-catching aspect of this case, at least from the legal perspective, is that Daedone and Cherwitz were charged with conspiring to commit forced labor over a long stretch of time, but not with the crime of forced labor itself. The evidence presented against them at trial, if believed (as it was by the jury, which returned guilty verdicts), alleged that they did more than plan a crime.

How should society respond to the exploitation of workers from the victim's perspective? At a macro level, clearly it is necessary for laws to both define the boundaries of lawful behavior and adequately enforce these limits. But leaving this solely in the hands of the government is not enough. The main objective should be to prevent exploitation before it happens, by assisting and advising people who are at risk of being drawn into unbalanced employment relationships.

Additionally, employers and people who do business with them ought to make more of an effort to root out unfree labor in their supply chains. Ensuring that we do not contribute financially to exploitative labor allows us to make a meaningful difference in preventing that kind of exploitation from occurring, as there will be less of a demand for it. We are all familiar with the concept of ensuring that we do not buy goods produced by slave labor abroad, but we are not equally adept at carrying that over domestically. Because actual slave labor is so much less common in the United States than other types of involuntary or illegal labor, it is not clear what level of due diligence should be done. However, a few ideas are in order. The primary one would be a system wherein employees could anonymously make complaints about labor practices, and have them verified, which would allow consumers to avoid unethical companies and law enforcement to scrutinize them. Of course, this would do little to help workers subject to physical force or kidnapping, but those are a small percentage of all unfree workers in the United States. As to workers like those at OneTaste, where the coercion is said to be psychological, it is unclear what a difference such a reporting system would make. Certainly people who had been formerly exploited could make complaints, but those still actively subject to coercion would likely not, which would blunt the immediate effectiveness of such a system. However, if prior employees had since left, they could

still report, which may help to inform outsiders about the risks of a particular organization.

The law and civil society should also make concerted efforts to weaken cults, which almost always include all-powerful figures wielding authority of a purportedly spiritual nature. Oftentimes, cult leaders abuse this power to satisfy their own sexual desires, which consist of violating the dignity of others. Even comparatively benign cults, which do not engage in sexual abuse, employ coercive measures to isolate victims from supportive friends and family and often compel their victims to open their wallets, both depriving them of their own money and allowing a cult leader to live a hedonistic lifestyle based on exploitation. Then, if and when the victims leave, they find themselves with little or no money and without the friendships and family ties that help them have a stable life. Cults are almost invariably abusive, and contribute to unfair and manipulative labor practices. My preferred legal strategy would be to enable people who have been drawn into cults to file civil lawsuits both against the cult leaders who abused them and anyone who knowingly recruited them, which would both penalize the leaders and deter others from contributing to cults for their own benefit. More controversially, families of victims who have been recruited into a cult should be permitted to file similar suits. However, if the alleged victim seeks to intervene on the part of the defendant, then it would be almost inevitable for the case to be dismissed. Even with this proviso, a cult accountability law would weaken the coercive hold that cult leaders have over their followers and allow victims to receive adequate compensation for the pain, suffering, isolation, and lost earnings they have incurred.

Tackling forced labor requires different tools than tackling other types of exploitative employment practices. Precisely for this reason, the entertainment industry

ought to examine existing legal provisions and assess their strengths and shortcomings, with a view to filling in holes using new laws.