Social Dynamics and Legal Remedies in Arts Industry Cases: Creative Exploitation Under Contract

The arts industry has long romanticized the idea of the "struggling artist," but behind this trope lies a darker reality: contracts designed to exploit vulnerable talent. Legal but unethical agreements—enforced through creative control clauses, royalty withholding, and psychological coercion—have systematically silenced artists, particularly young women and marginalized creators. This essay examines three cases—Kesha v. Dr. Luke, Judy Garland's MGM contract, and Callie Khouri's battle over Thelma & Louise—to expose how contractual mechanisms enable prolonged abuse, artistic suppression, and labor exploitation. While these cases span different eras and industries, they reveal consistent legal failures: the prioritization of corporate interests over well-being, the absence of protections against psychological harm, and the exploitation of power imbalances. By analyzing these patterns, we can identify systemic reforms needed to protect artists from coercive contracts.

Kesha's legal battle with producer Dr. Luke exemplifies how contracts can function as instruments of control rather than fair agreements. In 2014, Kesha filed a lawsuit alleging sexual assault, emotional abuse, and creative suppression under her Sony/Kemosabe Records contract—a deal she signed at 18. Though her assault claims were dismissed due to statute of limitations, the case exposed a more insidious issue: her inability to leave her label or release music without Dr. Luke's involvement. The court upheld the binding contract despite substantial evidence of retaliation and psychological harm, revealing how entertainment law often favors formal contract enforcement over the real-life contexts in which such agreements are signed. Kesha's inability to release music independently for nearly a decade illustrates how exclusivity clauses can be weaponized to punish dissent and silence victims.

This case underscores the limitations of contract law in addressing psychological coercion. Unlike labor law, entertainment contracts typically lack provisions for duress or mental health accommodations. The legal framework assumes mutual consent, ignoring the power disparities between young artists and industry executives. Kesha's experience reveals a system where abuse can be legally enforced, and where the language of professionalism conceals long-term emotional harm. Any meaningful reform must address the absence of sunset clauses that allow artists to exit toxic deals and incorporate mental health considerations into contract dispute resolution.

Judy Garland's contract with MGM during the studio era provides a historical precedent for how coercive agreements have long shaped the entertainment industry. Beginning her career at age thirteen, Garland was subjected to grueling production schedules, enforced with amphetamines and barbiturates administered by studio-appointed handlers. The production of The Wizard of Oz, while a commercial and cultural milestone, was marked by medical coercion and emotional manipulation.

MGM’s accounting practices further compounded this exploitation, withholding royalties and obscuring her rightful earnings through opaque financial reporting.

At the time, U.S. labor laws provided no meaningful protections for child performers. The studio system capitalized on these legal gaps, using contracts to formalize exploitative control over minors. Garland’s lifelong struggles with addiction and mental health can be traced in part to the sanctioned abuses of her employment—abuses that were framed as necessary sacrifices for stardom. Although the Coogan Law was passed in 1939 to protect minors' earnings, it did little to address the psychological damage inflicted by such environments. Garland’s case illustrates how legality can be used to legitimize harm, especially when the worker is young and voiceless. Today, her experience underscores the need for retroactive royalty audits and psychological safety clauses in youth contracts.

Callie Khouri’s experience with Thelma & Louise, though involving no physical coercion, highlights a more subtle form of creative suppression embedded in contract structures. After writing a script that would become an iconic feminist film, Khouri faced persistent interference from male producers who sought to dilute the story’s political edge. While she ultimately retained screenwriting credit following arbitration by the Writers Guild of America, Khouri has described how the production process marginalized her voice and attempted to strip her of creative authority.

This case illustrates the limitations of “work-for-hire” arrangements, in which studios are contractually entitled to alter a creator’s work. These clauses, while standard, can function as tools of erasure, particularly for women and minority writers. Even guild arbitration processes, designed to protect creators, often reflect broader industry hierarchies and implicit biases. Khouri’s sidelining and subsequent difficulty securing comparable projects point to a pattern of gendered retaliation—punishment not for failure but for resistance. Her case reveals that even celebrated success does not shield female creators from contractual marginalization. Reform here would mean redefining creative control more explicitly and mandating third-party oversight in disputes over authorship.

Taken together, these cases demonstrate that contractual exploitation is not a relic of the past, but an entrenched feature of the arts industry. Whether through corporate legal teams, union arbitrations, or outdated labor statutes, coercion is routinely legitimized under the appearance of professional order. Artists, especially those early in their careers or from marginalized backgrounds, remain vulnerable to contracts that promise opportunity but deliver control. The legal system’s failure to recognize psychological harm and structural power asymmetries enables this cycle to persist.

To begin addressing these failures, reforms must target the specific mechanisms through which exploitation operates. Sunset clauses should allow artists to exit contracts after demonstrable harm or prolonged suppression. Trauma-informed review procedures must be instituted in disputes where coercion or retaliation is alleged,

ensuring that emotional distress is evaluated alongside financial claims. Additionally, royalty transparency should be mandated through regular third-party audits, curbing the long-standing practice of financial obfuscation. While modest, these reforms focus on the contract structures that underpin the harm in each case.

The myth of the struggling artist must no longer obscure the legal and institutional mechanisms that perpetuate harm. Creative labor deserves the same protections afforded to other industries, including the recognition that psychological safety is not a luxury, but a right. True reform will require not just legal amendments but a cultural shift in how the arts define professionalism, authorship, and consent. If unchallenged, the contract will continue to serve not as a symbol of opportunity, but as a tool of silence.