

**“Monday Memo,”** by Peter M. Thall.  
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Everything that we have learned in recent generations about the exploitation of ideas and the means by which they are expressed will be tested now that the commercial world as we knew it has surged beyond the barriers of the Iron Curtain.

Eastern Europe’s unique contradiction of third world economics combined with an incredibly rich intellectual heritage presents a challenge to Western business experts to apply proven contemporary business methods to resolve the contradiction. Fittingly, it is the entertainment industry, the segment of the Western economy that owes its existence to the free expression of ideas, that may most readily offer its international networks and experience for the creation of the structures the Eastern Europeans need to establish a truly international commerce.

As a lawyer specializing in the entertainment business, I am often confronted with commercial venturers who believe Eastern Europe is a cache of gold waiting to be mined. What they do not realize is that producing, purchasing, distributing, and disseminating entertainment products (with the possible exception of TV programming) is simply too costly to be borne by these economies.

Most of the Eastern European nations, including the Soviet Union, face not only abject poverty and hardship in even the most basic aspects of life, but also severe technological underdevelopment. The widely held view that these countries are burgeoning into the modern business era is simply a myth.

Eastern European political and economic leaders are hardly tuned in to the latest (or, for that matter, the earliest) American business school methods. The old bureaucracies in control of all potential new businesses are still largely intact and manned by holdovers from the communist regimes. Personal enterprise must overcome the strong anti-business attitudes that have infected the communist world for decades. We should not underestimate the ingrained belief and indoctrination that profit and the profit motivation are morally debased, even repulsive. And if that were not enough, too much help will be resented, and too much Westernization will be refused, by these people whose very nationalism was the impetus for their revolutions in the first place. To say the least, the breakdown of the Eastern European political structure does not portend stabilization or Westernization in the economic sectors. Indeed, it is commonly anticipated that things will get worse before they get better.

The entertainment industry can ease the way toward economic growth in the East by establishing for those divergent peoples its unique combination of entertainment and free exchange of information. During the past 50 years, the entertainment industry has developed the international trade practices and partners and has acquired the experience necessary to engage in and teach commerce in ways more sophisticated and efficient than many other Western industries.

During this half-century, the Eastern Europeans have "unlearned" how to operate in a commercial and market-driven environment. Their standard of living and the state of their technology prove it. That the Eastern Europeans were not in the boardrooms, on the satellite transmissions, or on the portable telephones and faxes widened the gap between the two great cultures. Those westerners who have occupied these positions now face the challenge of helping to close the gap.

In the entertainment and communications industries, this group includes entertainment lawyers. It is endemic of the American style of doing business—some say to the point of absurdity—that lawyers are the deal makers, information exchangers, and the catalyst for many of the transactions that drive industry. Nowhere is this more evident than in the entertainment industry.

Through their intimate involvement in all types of business, and through their unique access to information, entertainment lawyers have acquired the knowledge, the relationships and the perspective that, if directed toward the East, can help these economies leap the generation or two necessary to enter the 21<sup>st</sup> Century on a par with the traditional capitalist societies.

If we can assist the Eastern Europeans to compete effectively in the world markets, as sellers as well as buyers, the results will have no precedent in history. From Prague to Bucharest, the opportunities these fledgling democracies face are inextricably tied to the opening up of the airwaves, the bookstores, the record and tape players and other media. Long suppressed, creators in Eastern Europe, whose ancestors to this day know no equals, are poised to enter the commercial marketplace in full force.

The entertainment business people positioned to advise and represent Eastern European talent must be conscious of the responsibility to help these artists enter the world marketplace and receive fair compensation for their creations. By making available the benefits of their accumulated experience and knowledge, their pooled contacts and their acquired perspective, these entertainment industry professionals will play a significant role in the bonding on East and West, and the affirmation of trust in the systems and methodology of the West, its institutions and its trade organizations. If dealt with honestly and realistically, business community can play a vital role in closing the cultural gap that until now has been ever-widening. For equality is a good not only for human rights activists, but for sound business enthusiasts as well.