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Entertainment Risks of the 21st Century: Politics & Terrorism

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Films and episodic productions shoot all over the globe, and so they face several emerging and fast-growing risks that become increasingly difficult to navigate as we make our way through the 21st century.

In a [blog](#) last month, we explored the changing aspects of hurricane and typhoon perils and the insurance marketplace's reactions. Just as hard to anticipate and to quantify beforehand are the risks posed by the increasingly uneasy political climates in many countries, and non-national terrorist groups aimed at instilling fear among the masses. In the wake of potentially disastrous events or changing political currents, companies with the right policies in place can limit financial losses and get back to making movie and TV magic without sustaining crippling losses or forcing abandonment of the work in progress.



Terrorism and politically charged risks should be considered together when assessing threats and necessary coverage for TV and film projects. Our firm creates a bespoke package which consists of coverage for delay and possible re-location after a terrorist act, delay due to the threat of terrorism, and financial losses due to perils of “political risk” and/or “political violence.” All four areas need to be addressed regardless of whether a crew is shooting in multiple countries or in a single country where these risks have emerged or are threatened. Heretofore, these pieces of coverage have only been available piecemeal, at often great expense, and with a laborious application process.

Political risk and political violence, while seemingly similar, are two very different things. Political risk is at play when an individual such as an actor or actress, or an entire company, is declared “persona non grata” by a country’s government. That is the Latin phrase for “person not appreciated” and means the government doesn’t want you there anymore, or does not want you operating there easily. This can result in impounded equipment, rescinded shooting permits, expulsion from the country and even arrest and incarceration. Strain in relations between the U.S. with a foreign government could trigger this shift in governmental behavior, but internal forces (whether ideological, political, or even personal beefs) have been causes as well. Most are beyond a production’s control, but none are the stuff of traditional insurance, namely: sudden, unexpected accidents.

Even if permission to engage in production is granted by a country's government, smooth sailing is never guaranteed. Polarized political climates turned violent ("political violence" is the term of art in the insurance markets) like the 250,000 person, months-long [yellow vest protests in France](#), the protests in Hong Kong, and even demonstrations in Germany, potentially cause major disruptions which make production impossible. Protests, riots and sabotage all have the potential to delay and even uproot media productions, and send them packing. This can result in costs that can be devastating to a project, a company or even the financier if no coverage is in place to serve as a backstop for the extra expenses of delay and/or relocation.

Sadly, many countries and countless cities we have long taken for granted as safe places to use as backdrops for films and TV shows now have measurable and markedly increased risk of effects from the above categories. A film that uses London, Paris, or perhaps the marketplace in Marrakesh for terrific backdrops; another that shoots in China and various locations along the Pacific Rim; and even a show that shoots all its episodes in Ireland could feel the effects of one, or even all of the above risks. Nevertheless, with the properly tailored, cutting-edge insurance programs, all these shows *will* go on.

When it comes to dealing with risk, the best offense is a good defense. Simply being aware of your exposures and looking into potential vulnerabilities can make a huge difference when trouble in the world arises.

Want to learn more?

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