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KICKING THE CAN

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A Thesis

Presented to

The Faculty of Arts and Humanities

University of Denver

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In Partial Fulfillment

of the Requirements for the Degree

Master of Arts

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by

Peter Ellis

June 2012

Advisor: Rodney Buxton

Author: Peter Ellis  
Title: KICKING THE CAN  
Advisor: Rodney Buxton  
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## ABSTRACT

*Kicking the Can* is a video documentary that explores the financial crisis of 2008 and the socio-political factors that led to the collapse. The documentary was produced over the course of a year and a half, and contains interviews with economists, politicians, academics, and U.S. citizens. *Kicking the Can* ultimately reveals that the financial crisis is a complex issue that can be analyzed and interpreted from a variety of political and social perspectives. This paper documents the making of the film, the production involved, and the process of working with collaborators and other crewmates.

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## Introduction

In the fall of 2010, I was offered the opportunity to work with Daniels College of Business MBA students on a documentary concerning the financial crisis of 2008. Along with Johnny Rutter and Will Gardner—fellow classmates at the Media, Film & Journalism Studies department—I took up the offer. We were initially promised at least \$50,000 for our budget. Ultimately (and unfortunately), we were told that the business school did not have the money to finance the project. Throughout the process of waiting for budget approval, crewmates began to drop out of the project. We started off with eight people and eventually ended up with three. Johnny Rutter, Will Gardner, and I were the main individuals involved with the documentary.

Despite the setbacks we experienced, Dean Anne McCall of Arts, Humanities and Social Sciences (AHSS), was able to fund a portion of our originally promised budget, and we were able to buy equipment to shoot the project. With money, the team was finally beginning to move forward with the production of the documentary. I found that as I read more about the crisis and saw more documentaries related to the crisis, the more interested I became in the project. Initially, I felt like more of an individual who was just “tagging along” to make the film. But, after doing more research for the project, my eyes were opened to some very fundamental problems involving the country’s financial and monetary system. I began feeling much more compelled to tell the story of the crisis and those who were affected. It was becoming much less of an abstract thing after research, and because of that, I was feeling more ambitious about making the film, despite the budget and crew difficulties.

Because the budget was scaled back significantly, the team had to reduce the overall scope of the project. We originally planned to make a feature length film that looked at the crisis from a national scale, but because we no longer had the budget to travel around the country and

interview people in different cities, we settled to make a short documentary that focused on the localized economy in Colorado.

I functioned mostly as the director of photography and assisted with production and arrangement of shoots. Will worked as the editor and Johnny was our director. Although we gave ourselves these titles (and fulfilled our respective duties under these titles), our positions were very much interchangeable and we took on tasks outside of our assigned roles. My behind-the-scenes work consisted of gathering human interest stories and interviewees for the film, as well as helping out with post-production. I didn't expect to be on-screen that much, but I did plan on being in front of the camera to conduct some of the human interest interviews. However, the task of finding individuals who were affected by the crisis and willing to go on-camera proved to be extremely difficult. Ultimately, I only conducted one interview. This will be detailed later in chapter two.

To begin, I will reiterate the thesis proposal which discusses the planned filmmaking process and documentary framework that the production team laid out. The proposal was designed as a working blueprint for the successful execution and completion of the film. It also provides a background to the crisis, detailing the books and documentaries that were made about the financial downturn. The *original* proposal drafted with Daniels College is attached to this thesis as an appendix.

## Chapter One: The Proposal

### **Mission**

To create a high quality documentary film on issues related to the financial crisis and its impact on our community.

### **Vision**

In September 2008, the U.S. economy was crippled as massive mortgage foreclosures infected the financial services industry. The problem was systemic and essentially a product of unsound fiscal policy on Wall Street and Capitol Hill. With a lack of government oversight and regulation, Wall Street's practices ultimately led to an economic downturn that has now affected every American in one way or another. And the problem has not been confined to just the United States; the entire global economy has been affected.

Although the crisis is a widespread problem, we intend to explore how people within Colorado have dealt with the downturn. Businesses, lawmakers, and individuals have been faced with a variety of hardships related to the crisis, and we believe that much can be learned from these stories that have emerged. The weight of the crisis has made a significant portion of our population jobless, and in some cases homeless. Businesses have been forced to make serious cutbacks and lawmakers have attempted to remedy these problems. This documentary will attempt to tell these stories. If the film can at least inform people of the crisis—and how it continues to affect individuals—then it is possible to inspire people to demand certain fundamental changes to the country's political and financial systems. We believe that our community can benefit from this documentary.

## Literature Review

Much has been written about the financial meltdown of 2008. An important book that covers the crisis is Matt Taibbi's *Griftopia*. *Griftopia* is composed of seven individual essays that cover different aspects of the crisis, and a chapter—entitled “Hot Potato”—provides invaluable insight into the structures that existed that allowed the financial mortgage crisis to happen. It details—in a very easy to understand vernacular— how the mortgage market was being diluted with bad investments, and even how responsible homeowners were duped into taking out mortgages that would eventually hurt them.

In “Hot Potato” Taibbi tells the story of man named Eljon Williams, who meets a self-described mortgage expert by the name of Solomon Edwards. Williams instantly forms a friendship with Edwards, whom Williams genuinely believes to be an advocate for underprivileged and low-income homeowners. Edwards eventually helps Williams secure a fixed-rate mortgage for a new house, but trouble arises when Williams receives a note from his mortgage owner, informing him that the interest on his *adjustable rate mortgage* has been increased. Believing this information to be a mistake (the mortgage is supposed to be fixed-rate), Williams phones Edwards to mend the situation. Williams insists that the mortgage promised to him was fixed-rate, but Edwards tells him that it was adjustable, and that he had been told that from the beginning. Edwards stops answering Williams's calls and eventually disappears completely. Williams soon realizes that he's been scammed and that Edwards had actually made \$12,000 by rigging the appraisal of the property (it turns out that Edwards was the appraiser). Amid this whole situation, Williams's wife is diagnosed with ovarian cancer, which causes a great deal of financial difficulty for the family.

In an attempt to work the situation out, Williams contacts America's Servicing Company (the owner of his mortgage). He explains to them his wife's life-or-death medical situation and the deceitful circumstances surrounding the issuance of his mortgage. He pleads with ASC to modify their loan, but is ultimately told there is nothing that they can do. Taibbi then goes on to explain just how the Williamses landed themselves in this situation. It turns out that Edwards falsified the

Williams's credit score so that it actually represented a much lower creditworthiness than they were actually worth, qualifying them for a subprime loan, when in actuality they would have qualified for a regular, fixed loan. By pushing a subprime mortgage, Edwards was able to make much more of a commission than if he had given the Williamses a prime loan. Edwards had also doctored the loan application so that Clara, Eljon's wife, appeared to make \$7,000 more a month than she really earned.

Taibbi then explains the exact nature of the relationship between mortgage lenders and investment banks to illustrate the larger context of the Williamses' situation. The mortgage lenders' "job" was to create a large number of loans in any way possible, and while this might have presented a problem for lenders in the past (they would have not been as likely to lend to those who couldn't pay back their loans), the age of securitization allowed for quick money to be made off of these subprime loans. Instead of making the loans and waiting until they reached maturity, securitization allowed for banks to pool various mortgages together, where they could then be sold off to other investors as securities. The basic principle behind securitization is that it allows for short-term cash to be made off of long-term streams of income. Prior to the advent of securitization in the 1970s, money could only be generated and accessed through the monthly payments made by homeowners. However, after the invention of securitization, banks could take their loans, group them together, and "sell the future revenue streams to another party for a big lump sum—instead of making \$3 million over thirty years, maybe you make \$1.8 million up front, today" (84).

Lenders were still limited in the sense that they didn't want to buy mortgages unless they were actually good loans and could be paid back. But, with CDOs (collateralized debt obligation), banks could generate significant cash-flow. By creating a tiered system in which pooled mortgages were rated, shares of mortgages could then be sold to outside investors. CDOs work by splitting the mortgage pool into three sections and assigning a rating to each section. Investors who bought shares in the top tier—referred to as "AAA"—were the first to be paid when mortgage payments were made by homeowners. These investors were almost always guaranteed their

money, but AAA rated CDO securities tended not to generate large amounts of cash. The second tier—the “B” level—had a potentially higher pay-out to investors, but if mortgage lenders were not able to collect the minimum amount of money needed from homeowners, these investors were not paid at all. The lowest tier—often referred to as “toxic waste”—allowed for the highest potential rate of return, but was the riskiest to invest in. Investors who bought shares in toxic mortgages were essentially engaged in high-risk gambling; they faced high pay-outs if mortgages were paid, but they also faced a high likelihood of not making anything at all. CDOs changed the way in which banks made their investments:

“[They] allowed lenders to get around the loan quality problem by hiding the crappiness of their loans behind the peculiar alchemy of the collateralized structure... now the relative appeal of a mortgage-based investment was not based on the individual borrower’s ability to pay over the long term; instead, it was based on computations like ‘what is the likelihood that more than ninety-three out of one hundred homeowners with credit scores of at least 660 will default on their loans next month’ (100)?

This situation becomes even more problematic when you begin to understand just how the rating agencies functioned in rating the CDOs. The investment banks financed the same rating agencies that were rating their mortgage pools, and obviously, they were more likely to give a higher rating to packages that didn’t deserve a high rating. Goldman Sachs, for example, pooled together 8,274 mortgages in 2006 in a package called the “GSAMP Trust 2006-S3.” Of the mortgages in this package, the loan-to-value was 99.21%, meaning that the homeowners who had taken out these mortgages had paid less than 1% in down payment. 58% of these mortgage loans were considered “no-doc” or “low-doc,” “meaning there was little or no documentation, no proof that the owners were occupying the homes, were employed, or had access to any money at all” (86). Obviously, the mortgages in this package were toxic and practically destined to fail. However, 68% of the mortgages within this package were given an AAA rating. Moody’s, one of the two major rating agencies, came up with an excuse in May of 2008 that blamed a “computer error” on the over-rating of countless mortgage packages.

Taibbi then relates how this entire structure of mortgage loans, securitization, and CDOs exists in context to the story told earlier of the Williams family and how they were conned by “mortgage expert” Solomon Edwards. The whole process begins with a mortgage broker like

Edwards, who works with a mortgage lender to issue a loan to a homeowner. At this level, mortgage brokers and lenders (like Edwards) are only interested in the immediate money that they can make for themselves. By issuing risky loans, they in-turn make more commission. From this level, the mortgage is sold off to an investment bank who then groups it into a securitized pool, where it can then be sold off to bigger investors. Because the lowest rated securities see the biggest potential cash return, there is a big interest by investors to buy shares of toxic mortgages. Taibbi explains the motivations to make such an investment: everybody involved is only concerned about the short-term benefits, and not thinking about the long-term sustainability of investment structures. Investors could:

“buy the waste, cash in on the large returns for a while... and hope the homeowners... can keep making their pathetic 1 percent payments just long enough that that the hedge fund can eventually unload their loans on someone else before they start defaulting” (90).

This short-term mentality existed throughout the entire chain of mortgage loans, and everybody involved seemed only interested in making a quick buck. The people at the bottom of this chain—people like the Williamses—were ultimately hurt the most by this short-term lust for easy money.

Taibbi explains how credit default swaps played an important role in the financial collapse. Credit default swaps, he clarifies, are a type of insurance policy that are essentially bets on a specific outcome in the market. The basic idea is that two bankers get together and bet against each other on whether or not a homeowner will default on his or her mortgage. Banker A agrees to make a fixed payment every month to Banker B for a given length of time, so long as the mortgage isn't defaulted on. If the homeowner defaults on their mortgage, Banker B has to pay Banker A the full amount of the original loan that was given to the homeowner. This used to be a simple insurance tool for banks, but two developments turned credit default swaps into a way to make large sums of money for investors. First off, no regulations existed to make sure that at least one of the parties involved in the credit default swap had a financial stake in the bond being bet on. Taibbi argues that this lack of regulation allowed banks to gamble on bonds in a way that was similar to “allowing people to buy life insurance on total strangers with late-stage lung cancer” (98). The second problem with credit default swaps was the fact that a bank did not

have to have any money at all before it sold credit default swap insurance. Taibbi then goes on to say that this type of conduct by Wall Street was worse than the activities of a casino (something Wall Street has routinely been compared to). Casinos, Taibbi explains, are at least regulated and do “not allow people to place bets they can’t cover” (98).

“Hot Potato” is an engaging chapter of *Griftopia* that has the ability to convey both an emotional and intellectually engaging back-story of some of the individual factors that led to the financial meltdown. By telling the story of how Eljon Williams was duped into agreeing to a subprime mortgage against his knowledge, Taibbi is able to create a compassionate face that his audience can sympathize with. This humanistic element is exactly the story that we want to be able to tell in our film. It grounds the narrative of complex financial processes in something dramatic and emotional, and it defines Wall Street’s abuses in humanistic terms; it also illustrates the short-sighted policies and tactics that existed to make quick money off of innocent people.

One thing becomes readily apparent when reading Williams’s story: the entire chain structure related to subprime mortgage lending was essentially based on the principle of disregarding the long-term sustainability of said structure. From the top to the bottom, the individuals involved were more concerned with lining their own pockets than looking out for the “little guy” or the overall health of the system. This is not just a systemic problem, but also a moral pitfall of those trying to make money on Wall Street. It will be important for us as a group to be able speak about these notions of corporate greed, but we need to be mindful that our purpose in this film is to talk about how these systemic and moral problems ultimately affected the innocent or unknowing homeowners at the bottom of the chain.

Another important point to take away from “Hot Potato,” is that it illustrates exactly how the entire financial system in the United States had eventually become assembled into a row of dominoes, waiting to be pushed over. Wall Street had essentially figured out how to make money off of making money, and in turn created a system that couldn’t last. When homeowners began defaulting on their mortgages, it sent shockwaves through the entire U.S. financial market. Because the mortgage industry had become so intertwined with other forms of investments, there

was no way that investment banks could escape unscathed if homeowners started defaulting on their mortgages. When this finally happened in 2008, the government had to step in to fix the situation.

Popular author Michael Lewis was a bond salesman on Wall Street during the 1980s, and wrote about the crisis in his 2010 book entitled *The Big Short*. *The Big Short* explores and attempts to answer exactly who knew about the forthcoming crisis in 2008, and ultimately, who benefitted from that knowledge.

The book begins with Lewis's story of speaking to Meredith Witney, a financial adviser, who lists a man named Steve Eisman as one of the figures who made billions off of betting against subprime mortgages—the same type of mortgages that were sinking Citigroup. The book shifts perspective, and then begins to tell the life story of Steve Eisman, an analyst at Oppenheimer securities. Eisman had believed that subprime lending was initially a good thing for lower-class Americans because it would move them away from higher interest rates with credit card debt, and to lower interest rates on mortgage debt. However, after hiring a man named Vinny Daniel to look into subprime lending, Eisman discovered that “subprime lending companies were growing so rapidly, and using such goofy accounting, that they could mask the fact that they had no real earnings, just illusory, accounting-driven, ones” (16). Eisman wrote a report about this in 1997, trashing subprime originators, and explaining that the numbers and statistics made public were in fact much different than the actual figures.

Eisman then investigated lending giant Household Finance Corporation in 2002 and discovered how it was making a fortune off of second mortgages. By dishonestly offering 15-year loans that were “bizarrely disguised” as 30-year loans, Household could essentially double the effective interest rates of those they lent to. While Eisman's investigation of Household revealed the deceitful tactics at play in consumer lending, it also revealed the unwillingness of the government to prosecute lenders who engaged in deceptive lending tactics. In a discussion with the Attorney General's office of Washington state, Eisman discovered that the government was

unwilling to prosecute against Household because “[they were] a powerful company... if they’re gone, who would make subprime loans in the state of Washington” (18)?

By 2004, Eisman was finally coming to the conclusion that consumer finance existed to essentially rip people off. In 2005, he had assembled a team to run his new hedge fund, and after meeting with major players on Wall Street, they all “shared a sense that a great many people working on Wall Street couldn’t possibly understand what they were doing” (23). Instead of learning a lesson from the subprime market crash of the 1990s, Wall Street was issuing subprime mortgages at an alarming rate, and the vast majority of these loans were being repackaged as mortgage bonds. Subprime lending was at an all-time high, and counter-intuitive to that, interest rates were rising. Eisman had also discovered that the terms of subprime loans had changed dramatically; while subprime mortgages had historically been issued mostly as fixed-rates, 75% of subprime loans were floating-rate by 2005. By this time, all major Wall Street investment banks were “deep into the subprime game” (24). Eisman saw how this lending structure was unsustainable, and knew that he could make a substantial amount of money by short selling the stocks of investment banks when homeowners started defaulting. Eisman, along with a few other individuals, was able to see the collapse coming, and they made millions of dollars through short-selling and credit default swaps.

*The Big Short* re-enforces the major themes that emerged from Taibbi’s “Hot Potato” chapter in *Griftopia*. There was a general short-sightedness by banks and investors to make quick money, and in an attempt to generate more money, banks were repackaging bad subprime loans into mortgage bonds and selling them off to other investors. *The Big Short* also re-enforces the fact that mortgage lenders were using deceitful tactics to loan to homeowners at the bottom; by pushing bad mortgages, lenders could make much more money. The unwillingness of government to step in and take action against practices that seemed outright fraudulent is another theme that emerges from the book. But, one of the most important things to probably take away from *The Big Short* is that certain individuals foresaw the eventual collapse (and were able to make money off of it).

Andrew Ross Sorkin's book *Too Big to Fail* provides a detailed narrative of the financial bailout from the perspective of the major banks and government officials who had to bail them out. The last chapter of the book deals with the infamous meeting that took place between Henry Paulson and the CEOs of the "Big 9" Wall Street firms. The chapter begins with Secretary of the Treasury Hank Paulson speaking with Chairman of the FDIC Sheila Bair, Chairman of the Federal Reserve Ben Bernanke, and President of the Federal Reserve Bank of New York Tim Geithner. Speaking with them in his office, Paulson ran through the talking points of their impending meeting with the "Big 9" CEOs. The most important aspect of their discussion was TARP—the Troubled Asset Relief Program, which would bail the banks out—something Sorkin calls the "equivalent of welfare checks, earmarked for the biggest banks in the nation" (521). Paulson, still preparing for his meeting, recited one of his talking points that he was about deliver to deliver to the CEOs:

"To encourage wide participation, the program is designed to provide an attractive source of capital, on identical terms, to all qualifying financial institutions. We plan to announce the program tomorrow—and—that you nine firms will be the initial participants. We will state clearly that you are healthy institutions, participating in order to support the U.S. economy" (522).

Geithner believed that this approach was too soft, and that the language needed to be toughened in order to get the CEOs to agree to their terms. To him, the pitch could not be interpreted as optional. Paulson agreed, and a new talking point was drafted:

"This is a combined program (bank liability and capital purchase). Your firms need to agree to both... We don't believe it is tenable to opt out because doing so would leave you vulnerable and exposed... If capital infusion is not appealing, you should be aware that your regulator will require it in any circumstance" (522).

Paulson, Bair, Geithner, and Bernanke wondered if the CEOs would agree. When the "Big 9" CEOs arrived at Paulson's office, it was the first (and possibly only) time in history that the most powerful heads of American finance were gathered in the same room. Paulson proceeded to tell them that they needed to accept the TARP money:

"We regret having to take these actions... but let me be clear: If you don't take it and you aren't able to raise the capital that they say you need in the market, then I'm going to give you a second helping and you're not going to like the terms on that... This is the right thing to do for the country" (524).

Many of the CEOs who were wondering why Paulson had arranged the meeting quickly realized what was happening. Ken Lewis, CEO of Bank of America, was the first executive to voice his opinion on why they should all sign. He explained there was “a lot to like and dislike about the program,” but if they didn’t have a “healthy fear of the unknown, then [they were] crazy” (526). He finished by saying that everyone knew they “were all going to sign” (526). Bernanke immediately followed by saying that the country was in the worst financial shape since the Great Depression, and asked everyone to look out for the common good. John Mack, head of Morgan Stanley, asked for the paper and signed his name. Within 40 minutes, seven out of eight of the other CEOs signed on. Within hours, everyone was on-board.

The epilogue to *Too Big to Fail* mentions the impact that TARP had on the American economy, and addresses the public discourse concerning the relationship between the government and capitalism. By bailing out the major banks, the United States government had become a major share-holder of the most important American financial institutions. The public was uneasy about this relationship, and Sorkin argues that what emerged was that “traditional political beliefs had been turned on their head” (530). President Bush, who signed the TARP bill, found himself in the un-Republican position of advocating for government intervention. The TARP money was not a panacea for all the country’s financial problems, however. Treasury officials referred to Citigroup as “the Death Star,” and the bank received another \$20 billion on top of the \$25 billion that it received in TARP money. Controversy erupted in early 2009 when Bank of America required another \$20 billion bailout, even though billions of dollars’ worth of the original bailout money was used to pay executive bonuses. AIG ultimately ended up with \$180 billion from the government, with no apparent way to be able to pay the money back. Coincidentally, AIG was looking more and more like the subprime homeowners who were unable to pay back their mortgages.

Sorkin ends his book by discussing whether or not the financial crisis could have been avoided. He doesn’t give a definitive answer yes or no, but says that the foundation for the financial meltdown had been laid down long before Secretary Paulson took office in 2006. A

variety of factors such as “deregulation of the banks in the 1990s... the push to increase homeownership... and the system of Wall Street compensation that rewarded short-term risk taking” all contributed to the financial crisis of 2008 (534). Sorkin ends with the notion that studying the financial crisis is important, but only if that knowledge is used to better the financial structures of our economy. If we don't apply the lessons learned from the financial meltdown, then we are doomed to repeat our mistakes.

Because *Too Big to Fail* gives a glimpse into the lives of the public and private sector individuals who were directly involved with the crisis and the resulting bailout, it is a good resource for us to use. It gives a unique insider perspective on the whole situation and the individuals involved. Although our documentary won't focus on the extremely small details like *Too Big to Fail* does, the book serves an important purpose in highlighting several key things. One of the most important things to take away from *Too Big to Fail* is that the bailout may have prevented a catastrophic meltdown of our financial system. This is an interesting issue, because of the opposition by many to the very thought of government bailouts. However, *Too Big to Fail* frames the government intervention as a type of necessary evil. This then raises the question of what exactly the future of the government's role is in regulating the markets. How will the government make sure that something like this never happens again? The relationship between the government and the markets is something that will be important for us to explore in our film, and *Too Big to Fail* provides a thought-provoking framework to work from.

### **Film Review**

Since the financial crisis of 2008, there have been several documentaries produced about the subject—most notably *Inside Job* (8 October 2010), which won the award for Best Documentary Feature at the 2011 Oscars. In 2009, Michael Moore came out with *Capitalism: A Love Story* (2 October 2009), and the PBS series *Frontline* produced a piece on the financial crisis titled “Inside the Meltdown” (17 February 2009). These films focus on the main players involved in the recession, and the factors that led to an economic downturn. Several other

documentaries were produced and released prior to (or right around) the financial crisis.

*I.O.U.S.A.* (14 November 2008), *Maxed Out* (10 March 2006), and *Enron: The Smartest Guys in the Room* (22 April 2005) deal with issues of predatory lending, shady business practices, and notions of corporate greed. These films are interesting in the regard that they preceded the 2008 economic downturn and that they foresaw certain elements of the eventual recession. In this film review, I will discuss some of these films and hash-out the major themes, topics, and modes of presentation of each respective film.

Produced and released before the financial crisis hit in 2008, *Maxed Out* focuses on the credit card industry and issues of predatory lending. *Maxed Out* might not focus on the financial crisis, but many of the issues that it brings up are entirely interrelated to the crisis. In many ways the film foreshadowed the economic downturn; it highlights the abusive and predatory practices of credit card companies, and reveals an unsettling eagerness of debt buyers to purchase up debt from creditors. The overall theme of the movie revolves around the idea that the United States has become a country of debt, and financial institutions are willing to exploit that for their own financial gain. While *Maxed Out* concerns itself with the credit card industry, this documentary about predatory lending is entirely analogous to what happened with the real estate market and subprime lending in 2008.

*Maxed Out* lacks a narrative through-line, and instead compartmentalizes various topics of discussion about the credit card industry throughout the film. It most resembles an expository documentary. However, it lacks the narration that is usually present in other expository films. *Maxed Out*, instead, grounds itself in interview sequences that reveal personal and emotional stories of those who have been wrecked by credit card debt. In one interview sequence, two women—Trisha and Janne—recount stories of how their children left for college and accrued massive credit card debts. Janne explains that her son at one point had 12 credit cards. It is eventually revealed that Trisha's daughter and Janne's son both committed suicide over the debt they had individually accumulated. While *Maxed Out* offers a biting indictment of the credit card industry, the film works effectively in focusing on these sorts of personal narratives. In this sense,

I feel that *Maxed Out* most resembles the documentary we are setting out to make about the financial crisis. It covers the issue of credit card industry abuses in a serious tone, it offers a comprehensive look at the issue of lending and debt, but more importantly, it addresses significantly the “human element” of those affected by credit card debt.

Visually, *Maxed Out* relies primarily on self-shot footage. There is some use of archival and news footage, but the majority of the film is composed of self-shot interview footage. Although there is more of a reliance on talking head interviews in this film, it works well; the interview subjects seem to function more as storytellers, and the visual form of these interview sequences seems to aid the storytelling aspect of the film. During the interview sequences with people who have dealt with debt, there is a closeness between the camera and the subject (either through close camera placement or a zoom). This has the effect of creating an emotional closeness to the person being interviewed. However, of all the films covered in this literature review, *Maxed Out* is the least visually engaging.

*Frontline*'s episode entitled “Inside the Meltdown” was produced immediately after the markets tanked in September 2008 (and aired in February 2009). “Inside the Meltdown” takes a much more journalistic and emotionally restrained approach to covering the financial crisis than what is seen in *Maxed Out*, and it has a drastically different effect on the audience. The episode is produced and framed similarly to other episodes of *Frontline*. Stylistically, it is a straight expository documentary, complete with narration, interviews, and other rhetorical elements. It starts by chronicling the alarming rise in home foreclosures in early 2008, and how there were worries that dropping home values would negatively affect the financial services industry as a whole. “Inside the Meltdown” follows the eventual fallout from the burst of the housing bubble, and documents the crash of Bear Stearns, AIG, and addresses how the housing bubble was really the catalyst for the breakdown of our economy.

Sit-down interviews are typically conducted with journalists (i.e. Gretchen Morgenson and Charles Duhigg of *The New York Times*) and academics (i.e. economists Mark Gertler and Paul Krugman), but the film features less speaking time with those involved in the financial services

industry. Naturally, this leads to a less confrontational documentary style. This episode of *Frontline* steers away from being too controversial or confrontational by reporting facts from a neutral point of view. Although this type of documentary filmmaking tends to be less emotionally charged, it is still intellectually engaging and thought provoking.

Visually, "Inside the Meltdown" relies primarily on the use of self-produced interview and b-roll footage. Sometimes black and white photographs are used with the "Ken Burns effect," but this footage was most likely paid for. The "Ken Burns effect" is a technique of slowly panning across a still photograph, and it works nicely in "Inside the Meltdown." It allows for otherwise stationary visuals to have motion and a sense of visual fluidity, which is appealing to the eye. In this episode of *Frontline*, the "Ken Burns effect" is used with black and white photos of high-ranking politicians and financial services executives, and almost adds to a noir-like atmosphere. By intertwining suspenseful interviews with this type of imagery, the film exudes a gravitas and seriousness that is unsettling and disconcerting. The visuals, ominous music, and subject matter (of an all-out collapse of our economy) convey a sense of impending doom that is almost apocalyptic. For our project, it will be important for the team to keep these styles of cinematic approach in mind. We need to be mindful that there has to be an emotional hook to the story, and that it can even be enhanced through simple filmic devices like music. But we also need to show restraint and not be melodramatic with the material.

Michael Moore's film *Capitalism: A Love Story* was released about a year after the crisis hit, and the film argues that unregulated and unrestrained capitalism played an inherent role in the eventual downturn of the economy. While *Capitalism: A Love Story* covers a wide variety of pitfalls related to capitalism (corporate greed, its direct conflict with religious values, etc.), a significant portion (mostly the second half of the film) deals specifically with the financial crisis.

The first point that Moore makes about the crisis is that subprime lending (and predatory lending in general) was the driving impetus of the disaster. In dealing with the topic of the subprime market, Moore addresses and pays special attention to the humanistic and emotional parts of the story. On three different occasions in the film, families are shown being evicted from

their homes after being foreclosed on. The use of dramatic music also plays into these emotional elements. When describing the September 2008 market crash as analogous to a dam bursting, a foreboding instrumental soundtrack suggests an emotional tone that would be subdued otherwise. I find this use of music to be appropriate and effective, because it is used in a way that complements the material. It isn't distracting, and it isn't used as a cheap device to evoke emotions that would otherwise be completely absent without the music.

Moore then links subprime lending to notions of corporate greed and unethical behavior. He argues and explains that some of the CEOs and higher-ups of major financial institutions were made rich by engaging in risky subprime lending, and that such lending was lucrative exactly because of the higher interest rates involved. The selling of toxic assets was rampant, and the short-sightedness of making quick money in the subprime market undoubtedly played a crucial role in the eventual collapse of the market; when home foreclosures reached a new high in September 2008, it had a domino effect on the rest of the financial services industry. Bear Stearns, Lehman Brothers, AIG, and Washington Mutual were hit especially hard, eventually going out of business, with many other banks, brokerages, and insurance companies suffering major losses. Again, Moore relates all of these events as being entirely symptomatic of capitalism.

*Capitalism: A Love Story* is stylistically a much different film than "Inside the Meltdown." The film follows the same formula and style of Moore's other confrontational documentaries, and is heavily influenced by the expository, participatory, and performative modes of documentary filmmaking. Consequently, Moore injects himself into *Capitalism* in interesting and funny ways. In one sequence, he goes to all of the major banks on Wall Street with an empty cash bag, attempting to get the money back that they received in the 2008 bailout. While some find this signature Moore-style approach to filmmaking unappealing, it does yield funny and sometimes unexpected results. When a doorman at Goldman Sachs prevents Moore from entering the building, Moore gestures towards the door and asks, "what would happen if I made a run for it right now?" The doorman pauses, shoots him a glare, and shrugs his shoulders and arms as if to

sarcastically say, “*I don’t know.*” This sort of comedy is essential in *Capitalism* and helps lighten the mood in contrast to the more dramatic and depressing content. This is effective and important in Michael Moore’s films because it keeps the audience emotionally engaged.

Visually, the film is very interesting. Moore deftly weaves archival footage, interviews, and C-Span footage to punctuate his arguments against unbridled capitalism. However, in my opinion, the most creative use of visuals in this film is the use of 1950s and ‘60s film footage. Moore uses these visuals in a variety of creative and interesting ways. When explaining that the top tax bracket used to pay taxes on 90% of their income, Moore shows us retro footage of dams, bridges, schools, interstate highways, hospitals, and the moon landing—explaining that all of these things were created through taxation of the wealthiest Americans. Moore explains that families used to be able to live off the pay-check of one bread-winner, job security was better, high school students could go to college without having to take out loans, most families had savings accounts, and that there was a strong middle class in general. All while making these points, we are presented with “wholesome” 1950s imagery—a mother walking down the aisle of grocery store, men working on an assembly line, a couple water-skiing, a mother and father attending their child’s graduation, a family on a rollercoaster. Ultimately, these retro visuals help create a nostalgia for the way things used to be, and helps bolster Moore’s point that financial deregulation and Reagan-era tax code changes destroyed the middle class. This ‘50s film footage re-appears throughout *Capitalism* and serves a variety of purposes: comedic tone, emotional effect, and even to help advance the plot, but its use is visually interesting and adds variety to the film. These visual devices are something to keep in mind as we go forward with our project, because it will benefit us to think of ways that will keep our audience interested in what they are seeing. I don’t know if our project will use anything similar to ‘50s footage, but the point is that visual cues can add a lot of depth to what is being said in a film.

*Inside Job* was released a year and a half ago, and functions as an expository documentary that highlights the faulty systemic policies within the financial services industry that

eventually led to the 2008 crisis. Matt Damon narrates the film, helping to explain the essential plotline of the economic downturn.

Because *Inside Job* primarily focuses on the recession of the U.S. economy, the beginning of the film comes as a surprise, yet helps contextualize the American experience of the crisis. The film begins with a prologue that describes the complete economic depression currently being experienced in Iceland which was caused by extreme government deregulation and privatization of major financial institutions. The narrative of Iceland is then paralleled and compared with the current situation of the United States economy, and serves as a cautionary tale that America may be headed down the same road of economic despair. This prologue intro lasts only five minutes, but functions as an important hook for the audience. It creates a tangible sense of impending danger for the United States and Americans, acting as a figurative “wake-up call” that suggests more policy changes are needed in the financial services industry.

After the prologue, the film addresses the news that broke on September 15th, 2008—that Lehman Brothers had declared bankruptcy, and that the world’s largest insurance company, AIG, had collapsed. Through the inter-cutting between narration and interviews with academics, business professionals, CEOs, and politicians, *Inside Job* not only lays out how the collapse of the markets in 2008 affected individuals, but how the downturn happened as the inevitable result of “an out of control industry.” The film from here is organized into 5 major chapters: 1) How We Got Here, 2) The Bubble, 3) The Crisis, 4) Accountability, and 5) Where We Are Now.

Stylistically, *Inside Job* is a very confrontational documentary. In this sense, it is also a very participatory documentary. Charles Ferguson, the director of the film, is unabashed in his interviewing style and unafraid to ask controversial—sometimes inflammatory—questions. Because he is so involved with the social actors in his films, it does become a very participatory documentary. For example, when interviewing Scott Talbott, the chief lobbyist for the Financial Services Roundtable, Ferguson asks, “are you comfortable with the fact that several of your member companies have engaged in large-scale criminal activity?”

*Inside Job* has an engaging visual style. It makes use of a 2.35:1 aspect ratio, which is something rather unconventional for documentaries. This gives the film a very cinematic look, and makes the framing of interview scenes interesting from a compositional standpoint. Typically, interview subjects will occupy 1/3 of the screen, and are alternated left/right. This is done to visually engage the viewer and keep their eyes moving, but it also has the effect of creating an emotional distance between the viewer and the unlikable interview subjects. Avoiding excessive talking head interviews, *Inside Job* makes extensive use of animations, charts, scanned documents, pictures, news clips, and other archival footage to anchor the interviews and narration in ways that helps the audience grasp what's being talked about; these visual components are not only visually interesting, but informational and emotionally engaging. For example, when the narrator is talking about the Glass-Steagall act and the merger of Citi and Travelers Group, we are visually shown a congressional law book that contains the details of the bill.

### **Proposed Content Structure of Financial Crisis Documentary**

When the team was told that we would have \$50,000 for our budget, we originally wanted to produce a feature length film. But, when we found out that we didn't have the money, we had to scale back various aspects of the project, including the running time. The documentary will now be a short. Ideally, we would like to make something around 30 minutes long.

The film will be divided into three acts. The first act will function mostly as an informative piece that will explain the basics of how the financial crisis happened. It will discuss the subprime market, predatory lending, securitization, the major players involved, and the government bailout of the financial services industry. Some of this information can be somewhat esoteric and confusing, but with the aid of animated visuals, we believe that the viewer will gain a much better understanding of the background to the crisis. Because some of this information can be somewhat abstract, we want to start the film with an emotional hook that can ground the crisis in something relatable. Whether it's a brief vignette of someone being foreclosed on, losing their job,

or trying to find employment, we believe that a personal story like this can help reel the audience in.

The second act will introduce other human interest stories as well as interviews with government officials, businessmen, employees of small banks and credit unions, educators, and other individuals who work in the financial services industry. The goal of this section is to show exactly who was affected by the financial crisis, and how they were affected.

The third act will then cover how individuals and businesses are coping with the crisis, and what they plan to do for the future. This section will provide recommendations from interview subjects about how to move forward and ensure that we do not see another financial crisis.

### **Filming Process/Visual Style**

Although there is significant overlap in the assigned roles for this project, I will act primarily as the director of photography. Johnny has taken on the role of director and Will will be our chief editor. Burke Stuart from Daniels College will help with some of the shoots.

Through funding from Arts, Humanities and Social Sciences (AHSS), the Media, Film & Journalism Studies department was able to purchase two Panasonic AF100 video cameras. After doing research, we came to the conclusion that these cameras offer the best image quality for their price range. Because of the AF100's 4/3" CMOS imaging sensor, the camera lends itself very well to shallow depth of field shooting. This technology replicates the same visual style of film, and because of that, there will be a visual professionalism to the content that we shoot. This is important to me because student productions tend to have rather amateurish production values, and I don't want this to *feel* like a "student film."

Along with the cameras, AHSS also provided funding for two 14-140mm lenses that will be an integral part of our shooting. These lenses allow for tight, close-up shots when completely zoomed in, and the effect is rather beautiful from an aesthetic standpoint. When zoomed in, the focal plane becomes very small, creating an even shallower depth of field than the camera naturally provides, and this will lend itself to a filmic (rather than video) visual style. When zoomed

out, these lenses allow for nice, wide shots that will help in cases where we need establishing shots/visuals. The ability to have these wide shots will aid our ability to define the space and environment that we are shooting in.

The use of two cameras (instead of just one) will serve two important functions: there will always be a backup camera (and footage) if one malfunctions or if there is a camera-operator error, as well as allow for dynamically shot interviews. While one camera records a wide shot, the other will be used for close-ups that can be cut to in the editing process. We feel that the variation between these wide and tight shots will keep the audience visually interested in what they are seeing.

Our film will contain other sequences that are not necessarily interview-based, and need consideration in terms of visual style. With some of our human-interest stories, we feel that a handheld *vérité* style will work best in conveying a tone that feels more “real.” One of our prospective subjects is being helped by the Denver Rescue Mission in finding low-income housing, and in terms of aesthetics it will be visually much more interesting to use a handheld technique to record them as they move into their new home. Not only does it make sense aesthetically to shoot handheld in these situations, it’s much easier to record these real life moments on-the-fly without having to worry about a tripod. Because sit-down interviews are in a controlled environment, there is a higher expectation to make sure lighting, camera positioning, etc. are the best they can be. But, the in-the-moment handheld *vérité* style naturally has a grittier feel that doesn’t feel so “perfect.” That is not to say that the fundamentals of good filmmaking go out the window with this style, but there is an understanding that the visuals might not be as refined. Ultimately, this type of shooting style adds to the charm of what’s being shot, as long as it’s used appropriately. Within the context of the financial crisis, this visual approach is desirable and can add to a sense of immediacy.

## **Post-Production Process**

Post-production and editing will be done on Will's Mac Pro as well as computers at the Media, Film, & Journalism Studies building. Because we want to use an animated sequence to aid the explanation of the financial crisis in our first act, we will need animators to help with that aspect of our project. Although communication with the Digital Media Studies department has been somewhat shaky, we hope to secure a DMS student to do this animation.

## **Marketing and Distribution**

Our primary target audience is college educated 18-34 year-olds. We believe that this audience possesses an instinctive interest in the financial crisis. The crisis is something that affects our generation rather profoundly, and we think that our documentary would appeal to this age group the most. Our hope is that we can inform our audience enough that they feel compelled to *do something*. If we can inspire people to at least talk about the issues, I would feel extremely satisfied with my work. It would be an amazing feat if our film influenced somebody enough to actually confront the problem in a bigger way, but I think one of our primary goals is to just get a dialogue started (especially within the younger demographic). Our secondary target audience is older, extending up to 65 years of age. We believe that people up to this age group who have a general interest in documentaries will enjoy this film.

We will want to market the documentary to our target audience within the Colorado area. The film will be marketed to University of Denver students, Colorado residents, business school students, those who have been affected by the crisis, and future professionals working in finance, banking, education, and public policy. Although our revised budget does not allow for the same marketing and distribution as originally planned, we still want to pursue larger outlets to make our film known and available. The primary way to get our film noticed on a larger scale is to send it to film festivals, approach local television networks and academic institutions, and to advertise and make the film available on the Internet through social media.

## **Chapter Two: Production**

Although the majority of filming did not happen until summer (months later), the crew conducted its first on-camera interview in January 2011. The interview was as much of an attempt to understand that financial crisis as it was a test-run for our project. At this point, the crew was still working in coordination with the Daniels College of Business and we did not have the Panasonic AF-100 cameras that we would later have. The crew used two rented Panasonics from the Department of Media, Film & Journalism Studies, and a Canon 5D DSLR owned by Will. We also rented some lights and tested a two-point lighting method. For the test interview, Xander Page (of Daniels College) asked Dr. John Holcomb (Professor of Business Ethics and Legal Studies) questions about the genesis of the financial crisis, and the various factors that led to the downturn in the economy. Upon review of the footage that we shot, we were rather unimpressed with how some of the footage looked. The Panasonic footage looked extremely flat and dull. Colors were muted and the dynamic range of the image was unimpressive. The footage from Will's Canon DSLR, however, looked great. The image was saturated with rich colors, the contrast looked nice, and the inherent shallow depth-of-field provided by the camera created a very cinematic-like image. This footage is included in the final cut of the film. The only problem I have with it is that it was shot at 24 frames per second (fps). Months after this shoot—when the crew received the AF-100 cameras to shoot the documentary on—we decided to continue filming with a frame rate of 30fps for technical reasons. While most people probably won't be able to tell the difference between the 24fps and 30fps footage within the film, there is a subtle difference between the two; the cadence and rhythm is just slightly different.

The content of the interview ended up informing our broader understanding of the crisis. John explained the crisis as a linear narrative, discussing the various factors that led to the

financial downturn. At this point, the crew had not done much research, so the things that John talked about were very enlightening. He detailed the socio-political context of the crisis and helped us to understand the housing bubble (which infected other parts of the financial services industry) and the types of investments that ended up tanking the economy. This footage will help our audience understand the crisis, as well.

The next significant shoot happened in March when the crew decided to go to the 16th Street Mall in downtown Denver. We decided that it would be a good idea to get “man-on-the-street” interviews. By asking the general public a few questions, we figured we could get a pulse on what average Americans think about the crisis, as well as get our own thoughts rolling about the project. The task of finding individuals willing to go in front of the camera proved difficult. Johnny stood on the sidewalk on one side of the street, while I stood on the sidewalk opposite of him. As people walked by, we asked individuals if they would talk to us about the financial crisis. Johnny tried his hardest to wrangle in *anybody* who would be interested in talking to us. But ultimately, I don't think he was able to get a single person to go in front of the camera. I'm convinced it's because of the production notebook he was holding. In my experience, if a person on the street tries soliciting your attention (and they're holding a notebook), it means they're from Green Peace, or Environment Colorado, or some other advocacy group like that. Those people tend to get ignored—a lot. So, it's no surprise that Johnny had difficulty in finding someone to speak with.

I, on the other hand, had an easier time. In fact, I think everybody who went in front of the camera that day was convinced to do so by me. But, then again, I didn't have a notebook. However, my success of bringing a few people to talk with us on-camera didn't diminish the fact that it was still an extremely difficult task. A good portion of people we approached or tried talking to just flat-out ignored us. Some were even rude. I remember asking a man if he wanted to “talk to me on-camera about the financial crisis.” As he continued walking by me, he sarcastically told me “*good luck with that.*” From what Johnny told me, he had an even rougher time with people ignoring him and being snarky. This was a somewhat ominous sign for me. I immediately began

thinking about the future difficulties we would probably face in securing interview subjects to talk to.

When we realized (almost immediately) that it was going to be difficult to get people to go on-camera, Johnny and I began modifying our “pitch.” We realized that we had to—in very few words—get the attention of passersby and compel them to want to talk with us. Instead of asking people if they wanted to “be in a documentary about the financial crisis,” we began invoking the fact that we were graduate students who needed help with their thesis project. For me, this seemed to work better at capturing the immediate attention of individuals who happened to be walking by. However, once I had people reeled in, I ended up losing a lot of them. When we told them that we were shooting a documentary and needed on-camera interviews, they immediately became shy and reluctant to work with us. On top of that, when they were told that it was a documentary about the financial crisis, the default position seemed to be, “oh, I don’t know anything about that.” I tried to coax as many reluctant individuals as possible into talking with us, but the combination of camera-shyness and unfamiliarity with the subject matter caused a lot of potential interviewees to walk away. I even tried to comfort some individuals by telling them that it didn’t matter if they didn’t know anything about the crisis—that we just wanted to talk honestly with everyday people about their perceptions of the economic downturn.

The people that did agree to go in front of the camera were certainly not representative of the whole. These people tended to have bolder personalities and were not as reluctant to talk with us. Most of them also had an above-average understanding of the financial crisis, and were thus more comfortable to discuss the subject. I filmed the interviewees using my Panasonic HMC-150, while Will operated the boom pole, and Johnny asked the questions.

The shoot on the 16th Street Mall presented the crew with a technical issue that seemed to haunt us throughout the entire production of the documentary: how to effectively use natural lighting outdoors. Most of the interview footage from 16th Street Mall looks great, but towards the tail end of our interviews, clouds began obscuring the natural sunlight we were using. A weather front from the west was pushing clouds in and out of the way of our usable sunlight, and as a

result, I had to constantly rock the iris back and forth to maintain a properly exposed image during the last interviews we conducted. From fairly early on the group took the position that we should shoot most of our interview sequences outside, as to avoid the “stuffy” *Inside Job* aesthetic of shooting inside. However, the decision to do this came at a price. Although shooting outside provided us with slightly more interesting visuals during interviews, we sacrificed the controllable nature of indoor lighting and shooting. Our next shoot with former Wall Street investor Mike Krieger also suffered from the unpredictability of using natural lighting.

In June, we met with Mike in Boulder and conducted an interview on the rooftop of the University of Colorado student center. Having lived in Boulder for four years, I suggested the shooting location because of the beautiful mountain views that it provides. We had Mike sit at a table across from Johnny, with me operating the primary camera. I framed Mike and Johnny in a wide shot, with Boulder’s iconic Flatiron rock structures in the background. At times, I would zoom-in and get a close-up of Mike while he was talking. Will operated the second camera, which was dedicated to close-ups of Mike and reaction shots of Johnny. Sound was recorded by hiding microphones underneath the meshed wire of the table Johnny and Mike were sitting at. This was the first time we used the AF-100 cameras which were purchased for the project, and we were really excited to try out the new equipment.

I was satisfied with the footage we got from the interview, but there were a few things that bothered me upon review. The first glaring mistake was an out-of-focus shot that I was responsible for. Fortunately, I realized this mistake during the shoot, and eventually corrected the focus. But, this incident rendered the footage somewhat unusable. It also made the crew realize the downside of using a 14 to 140mm zoom lens. Because the lens has such a dynamic zoom, it causes the focus to be *extremely* sensitive. The focal plane of the lens is extremely shallow, and a small nudge to the focus ring can cause an in-focus shot to go extremely out-of-focus. I think this is exactly what happened when interviewing Mike. The second thing I noticed about the interview footage with Mike was, as mentioned before, problems with sunlight. We began the interview in the late morning, and by the time the interview was over, it was early afternoon, and

the direction of the sun had changed pretty dramatically. At the beginning of the interview, Mike was lit by the sun from the side, and I personally think it looked great. By the end of the interview, however, he was being lit from directly above and slightly behind. This caused a shadow to be cast over most of Mike's face—a rather unappealing shot.

About a week later we interviewed Chuck Leone, and we ran into some more problems with using natural lighting. We arranged an outdoor interview for early morning (hoping to improve on the lighting conditions from Mike's interview), but we didn't schedule early enough. If we had scheduled the interview for sunrise, we could have used "golden hour" sunlight to our advantage. Instead, the harsh sunlight wrecked our ability to maintain a decent exposure across the entire image. I was able to expose Chuck's face decently, but in doing so, I was overexposing hotter parts of the frame. In looking through the viewfinder of the camera, I could see that Chuck's shirt was essentially glowing because of how overexposed it was. Reviewing the footage confirmed my suspicions of overexposure.

This shoot with Chuck taught me a couple important lessons about conducting interviews outside. Firstly, that filming outside in the middle of summer results in extremely unpleasant lighting. We felt like we learned our lesson from Mike's interview by scheduling an earlier interview with Chuck. And in retrospect, I almost feel like early to mid-morning sunlight is even harsher than sunlight that is coming from directly above. Secondly, on that day, temperatures were reaching the 90s by the time we started filming, and it caused Will and Chuck to sweat on-camera. The close-up shot of Chuck reveals beads of sweat on his forehead. Doing the interview in such heat undoubtedly has negative effects. It puts the interviewer and interviewee at a discomfort, and visually, it's not necessarily an attractive quality. Personally, I was absolutely miserable during the shoot. I do not tolerate extreme heat very well at all, and I was unprepared for it during the interview. I decided to wear jeans that day (for some reason) and by the time we started filming I was already feeling dehydrated and overheated. I remember sweating and being extremely uncomfortable during the interview. As it progressed my clothes started getting drenched in my sweat, and I began to feel physically sick from the dehydration. I felt better after

the shoot when I could drink some water and get in some air conditioning, but that was a horrible experience for me. It was a rough lesson, but at least it taught me to be prepared for the elements. Certainly, it taught me to be ready for our shoot at the Colorado State Fair a couple months later (where the temperature broke 100 degrees). The harshness of the lighting and heat during this interview with Chuck forced the crew to seriously reconsider shooting outdoors.

The content that we got from Chuck was very similar to the information that we got from John. He mostly provided a background to the crisis, and he also explained that the collapse of the economy was very much rooted in the burst of the internet bubble, which happened almost ten years previous. He also discussed the Wall Street bailout and expressed his belief that capitalism *needs* to be a Darwinian system where the weakest gets weeded out. Chuck's footage is placed prominently in our film, and we feel that he did a good job of talking to us in a clear and understandable way that our audience can also understand.

I was not present for the interview that Johnny and Will conducted with Senator Alan Simpson, due to the fact that I was in the middle of moving from one apartment to another. They drove all the way up to Cody, Wyoming to do the interview, and I think they did a great job of lighting and shooting the interview themselves. This was the first indoor interview that we did, and the lighting was nice and even, and the camera angles were interesting. Johnny did a great job of operating two cameras by himself, and the AF-100 proved itself to be a great camera for indoor and low-light shooting.

We conducted another indoor interview with Larry Harte, the mayor of Glendale, Colorado. My friend Shana works on the chamber of commerce with the mayor, and she was able to get us an interview with him. Will and I shot the interview together inside of Mayor Harte's office. One thing that was immediately problematic was the fluorescent lighting in his office. We brought a few lights with us to shoot the interview, but because incandescent light has a different color temperature than fluorescent light, we had to eliminate one of the two sources. We really needed as much light as possible (the Mayor's office is somewhat dark), but the competing color temperatures caused there to be conflicting hues and colors within the image, so we shut off the

fluorescent lighting and used the lighting kit that that we brought. To compensate for the low light, Will and I bumped the gain on the AF-100s to the high setting, and opened up the irises all the way. The image was still a tad underexposed, but in my opinion, it looked better than using competing fluorescent and incandescent lighting. We setup a boom pole on a C-stand to record sound, and I monitored the levels with ear buds through the primary camera (which was a stationary wide-shot of the mayor at his desk). While I asked questions from behind the camera about how Glendale fared the financial crisis, Will used the secondary camera to shoot some handheld, close-up shots of the mayor. I personally think this footage looks a lot better than the wide angle that I captured.

The interview with Mayor Harte was an interesting experience for me, because it the first time in the project that I was asking questions and dealing directly with the interviewee. Although, I was behind the camera, instead of on-camera like Johnny and Will (when they interviewed Mike and Chuck). This put me much more at-ease. From the beginning of the project, I had expressed a lack of interest in being in front of the camera, but asking questions off-screen worked for me. Mayor Harte was also a very soft-spoken and gentle interviewee, so it was easy to have a conversation with him. The only issue I have with the interview is the dim lighting.

Larry doesn't feature prominently in our film, but he does appear briefly at a few different points. The two most important things that he talks about (which made it into the film) are the shady practices of mortgage lenders and the effectiveness of government at different levels. As a mayor, Larry provides interesting insight about how government is best run at local levels. Although this concept is somewhat abstract to the main issues that we talk about in the film, it is entirely relevant.

Later in August we interviewed "Ranting" Andy Hoffman in Broomfield, Colorado. Before we had him go in front of the camera, Will, Johnny, and I scouted an outdoor location near his residence. We found a park with a walking path that provided a gorgeous view of the Front Range. To vary our shooting, the crew rented out the Steadicam from the department of Media, Film & Journalism Studies, and we decided to do a walking-style interview with Andy. Learning

our lesson from previous outdoor shoots, we scheduled an interview for sunset (when the light would be just right), and when Andy showed up for the shoot, I strapped on the Steadicam body harness, and had Will and Johnny help attach the camera. I walked backwards on the path, and filmed Johnny as he slowly strolled and conducted his interview with Andy. Will recorded sound with a shotgun microphone attached to a pistol grip, and he also had the duty of making sure that I wasn't running into anything as I walked backwards on the path. With one hand, he grabbed a part of the Steadicam harness and pulled me in the direction that I needed to be walking. With his other hand, he pointed the shotgun microphone at Andy and Johnny as they discussed socioeconomic policy. It was an odd configuration for doing an interview, but the footage actually turned out pretty nicely.

The shoot with Andy was another day where the temperature got up to the 90s. Once again learning lesson from previous outdoor shoots, I dressed appropriately and made sure I was plenty hydrated. The decision to shoot later during the sunset "golden hour" worked to our advantage. Unlike the previous interviews, we were able to capture a much softer, diffused light, which looked much better than the harsh, mid-day sunlight that we had been shooting in. If I could change anything about the interview with Andy, I would have liked to practice with the Steadicam a little bit more. There's definitely an art to working it properly. Also, I would change the fact that I threw the iris into the automatic setting on the camera. I just felt like I had so much to deal with (having the Steadicam on), that I wasn't able to handle changing the iris. Because the interview was a moving interview (on a twisting footpath), exposures were constantly changing. So I decided to let the camera do the work and change the iris automatically. This caused some the footage to flicker as the camera struggled to find the right exposure.

Like Mayor Harte, Andy doesn't appear much in our film, but he serves an important purpose in explaining the flaws of our political system, and how that plays into the crisis. Andy is obviously very distrusting of government, but he provides an interesting and bold perspective about the state of American socio-politics.

Late in August, Will, Johnny, and I headed down to the Colorado State Fair in Pueblo with the intention of talking to as many people as possible from various parts of the state. Specifically, we wanted to see how people were faring outside of the Denver metro area. It was an extremely hot day, and the temperature hit 100 degrees. Conveniently, though, the fair organizers gave the three of us press passes, which allowed us access to an air conditioned trailer. We were also given a golf cart to get around the grounds easily. This made the heat much more bearable. Anytime we started feeling overheated, we could retreat to the trailer and relax for a while, and we didn't have to worry about lugging equipment around by hand.

The first part of the day in Pueblo involved approaching and talking to farmers, ranchers, merchants, and other Colorado workers who were experiencing effects of the downturned economy. I shot this footage handheld, while Will recorded sound with a shotgun microphone and Johnny asked questions. The second half of the day involved setting up a tripod and asking passersby if they wanted to go in front of the camera to talk about the financial crisis. We ran into the exact same problem as the 16th Street Mall interviews—nobody seemed to really want to talk with us. We were able to talk with some individuals, but like the previous 16th Street interviews, the people that went in front of the camera didn't seem to be representative of a larger whole. The Colorado State Fair was an interesting shoot, but it kind of felt like a wasted day in some senses. We didn't think people would be so reluctant to talk with us at the fair, but they were, and we didn't end up with the footage that we wanted to get. We were hoping to find some relevant, compelling personal stories about Colorado citizens, but we ended up not getting a whole lot. By this point in the project I was feeling rather discouraged that we weren't finding the human interest stories that we originally intended to tell. It was becoming obvious that our project was taking on a different angle than we had expected. Instead of being focused on personal narratives, our film was looking more and more like a socio-political survey of the factors that led to the crisis.

Possibly the biggest interview we secured as a group was with former Governor Bill Ritter. In September, we travelled up to Fort Collins to interview him about the financial crisis and

ask how he dealt with the problem as the governor of Colorado. However, there was a quid pro quo: we had to film a few things for his green energy initiative before he would give us the interview. Although the trade-off was somewhat skewed (he gave us a 10 minute interview for a few hours of work), it was worth it. Having the former governor of Colorado in our documentary raises our profile and lends a little bit more credibility to the film. We were excited to meet him and do the interview, but it was a somewhat stressful shoot. We had been lugging equipment around all day doing work for Governor Ritter's green energy initiative, and when we finally got around to doing the interview with him, we were being rushed. We didn't really have a choice of venue for the interview (on the CSU campus), and we were basically tossed into a random office by one of his handlers and told that we only had a few minutes to set up until the Governor arrived. Will, Johnny, and I scrambled to get lights set up, the cameras white balanced, and the sound equipment ready to go. We were rearranging furniture in this small, awkward office, trying to make the best of what we were given. If we had had more control over the interview, the footage with Ritter would look a lot better than it does. We would have never shot in that office, and we would have spent more time trying to get lights set up right. Instead, the footage we have has Ritter up against a dull, white wall, and he's casting a pretty nasty looking shadow. However, we feel like a lot of that was out of our hands. The Governor keeps an extremely tight schedule and he's constantly going to and from different places. We are lucky that we even got an interview at all.

In terms of content, Governor Ritter provided us with some background of the crisis. He talked about the housing market, subprime mortgages, and how those things directly fed into the financial crisis. Like Mayor Harte, Governor Ritter also stressed the importance of being able to run government from a more local level. One of the most important moments of Ritter's interview was when he compared subprime lending to trading fragile goods on a railroad. I feel that this will be his most important part of the film. Even if the audience doesn't fully comprehend subprime lending, they'll be able to grasp the concept that subprime lending was one of the main reasons why the crisis happened.

Possibly my favorite part of the entire production process was filming the Occupy Denver protests. By mid-October, the stand-off between protesters and police was reaching its height at Civic Center Park. It was coincidental that the Occupy movement came about when it did, but it emerged as we were wrapping up the bulk of our production. Will and Johnny each came out with me once to help record sound and I spent quite a few days down there by myself. When I made solo trips to the protests, I just mounted a shotgun microphone to the camera and recorded sound that way.

The protests were entirely relevant to what we had been working on for the past year, so I made a good effort to go downtown to document the happenings. I also got a lot of people to talk on camera with me about why they were there. This was far different from the 16th Street Mall interviews and the Colorado State Fair interviews. People were passionate and more than willing to talk about the financial crisis and the state of the economy. Ultimately, I felt like people were joining the protests for a wide variety of reasons, but there was tremendous overlap with the values that were emerging in our documentary. At this point during production, we had heard a lot from our interview subjects about waste, fraud, and abuse perpetrated by the corporate sector and the federal government—something the Occupy movement is fiercely opposed to. Additionally, our documentary shares Occupy's sentiment that there's a serious lack of corporate and government accountability.

I ended up with hours of protest footage, and if I could have had my way, I would have changed the entire focus of the documentary towards the Occupy protests. I just felt like something was *really happening* when I went out with my camera and recorded what was going on. Police were clashing with protesters, streets were being occupied and shut down, tents were being forcibly removed from Civic Center Park, and I was getting it all on camera. People were also giving me great interviews. By this time in our production, we knew that we didn't have much of the "human element" that we originally intended to capture for our documentary, and I was excited to film something different from the talking head interviews that we had been doing. (In the next section titled "Addressing the Human Element," I will detail how our project changed over

time and how it became much less about the individuals affected by the crisis and more about the socioeconomic policies that led to the crash in 2008). I will probably be making a different short film out of the hours of Occupy footage that I recorded.

The last shoot that I did for the project happened during the first week of February. The footage, however, will not be present in the current cut of the film. It will most likely be added to the cut for later submissions to film festivals. We had struggled to find personal stories related to the crisis, and Professor Sheila Schroeder of the Department of Media, Film & Journalism Studies presented the crew with a last-minute opportunity to capture a human interest story through her connections with the Colorado Progressive Coalition (CPC). She got us in touch with the organization, and we felt like it was an opportunity that we shouldn't pass up, despite happening so late. Through the CPC, I was introduced to a man named Leonard.

Leonard has an extremely interesting story to tell. Leonard is disabled, an Air Force veteran, divorced, a foster parent to two teenage boys, and constantly worried that he will be foreclosed on. I was able to meet up with Leonard to have him tell his story on-camera. His story essentially begins in 2005 when he became sick and required antibiotics. The antibiotics had a severe side effect that destroyed the ligaments and tendons in his knees, and he became confined to a wheel chair. Unable to comfortably live in the two-story house that he was in, Leonard was forced to move into a ranch-style house where he would be able to get around easier. He was duped into a bogus mortgage, and he now struggles to make payments on the new place. Things have been especially rough for him ever since the mortgage crisis hit, and every time he has applied for a loan re-modification, the lending company comes back to him with a *higher* monthly payment that he's required to make. At his house, he showed me stacks and stacks of boxes piled in his garage, telling me, "this is what uncertainty looks like." Leonard is ready to move in the event that he's foreclosed on. I'm somewhat upset that this footage won't be in the current cut of the film, but once we add his footage to future cuts, his story will add much more dimension to our documentary. I recorded the Leonard footage by myself, and it has a handheld, vérité style.

## **Addressing the Human Element**

As mentioned previously, the crew had a difficult time finding personal stories that could drive the documentary. What originally began as a project about personal narratives turned into a project about socioeconomic politics. Officially, I was in charge of finding the “human element” stories, but I kept on hitting brick walls with a lot of my leads. It seemed like a lot of my efforts weren’t producing results. Will and Johnny were officially in charge of finding the academic, political, and economic types to interview, and it just seemed much easier for them to secure those types of contacts. I pursued the Denver Rescue Mission, the Denver Housing Authority, Denver Human Services, and the Department of Labor and Employment, but no one ever followed through on the help they said they would give us. I routinely took out ads on ULoop (the classified ads service for DU) and Craigslist, and I always came up empty-handed with zero responses. I regularly asked friends and family if they knew anybody we could interview for the project, but again, I kept running into brick walls.

I’ve concluded that the subject matter is just too sensitive for most people to talk about if they are being negatively affected by the economy. It’s difficult and even embarrassing for somebody to go in front of the camera to talk about the ways they are struggling to make it. Not everybody wants to expose themselves like that, especially in a documentary. There’s always the issue of representation, and many people would be concerned about how they would be portrayed. If Johnny and Will had helped out with finding human interest stories, we may have been more successful in finding candidates willing to go in front of the camera to tell their story. Instead, Will and Johnny’s contacts began piling up, and our original intent to tell human interest stories seemed to drift away over time. I feel like I should have spoken up earlier on, because I was always much more interested in telling the humanistic side of the financial crisis and we were really starting to head in a different direction. If we had *all* been focused on telling personal narratives, I think we would have ended up with a more unique and engaging film. Although we have personal elements popping up in street interviews, footage from Pueblo, Occupy Denver, and with Leonard, the documentary lacks a narrative thread that is present from beginning to end.

We even ditched the idea of pursuing a participatory-style documentary, partly because our film was lacking other human elements. In my opinion, we didn't pursue the participatory style because there was such little *real* human interaction with other people on-camera, that there was no need to establish ourselves as active characters within the film. Even if we had included ourselves in the movie in a more prominent way, we were having a hard time figuring out how we would introduce ourselves without it coming off as cheesy.

### Budget for Production

Equipment	Description	#	Unit Price	Total Price
Camera	Panasonic AG-AF100 Camcorder	2	\$4,373.10	\$8,746.20
	Panasonic VBG6PPK LI-Ion Battery	3	\$155.81	\$467.43
	Panasonic PKB -275PV Case for AF100	2	\$522.34	\$1,044.68
	SanDisk - 32GB Memory Card	4	\$137.69	\$550.76
Lenses	Panasonic - Lumix G Vario HD 14-140mm	2	\$735.85	\$1,471.70
	Panasonic - Lumix G Vario 14-45mm	1	\$280.34	\$280.34
	Tiffen 62mm Clear Filter	1	\$11.98	\$11.98
	Tiffen 52mm Clear Filter	1	\$7.73	\$7.73
Audio	Audio-Technica AT875 Shotgun Microphone	2	\$197.42	\$394.84
	Rycote Lyre Mount and Pistol Grip	2	\$102.72	\$205.44
	Rycote Windscreen	2	\$93.55	\$187.10
	K-Tek Avalon Boompole w/ XLR Cable	2	\$175.00	\$350.00
Lighting	Lowel Rifa eX 44 Pro Kit	1	\$731.25	\$731.25
Tripod	Vinton V3AS-AP2F Vision Tripod System	2	\$1,849.47	\$3,698.94
		<b>Equipment Total</b>		
Travel	# Trips	Destination	Miles Traveled	
	2	Boulder, CO	134	
	2	Fort Collins, CO	280	
	1	Thornton, CO	32	
	2	Broomfield, CO	88	
	1	Pueblo, CO	216	
	5	Denver, CO (surrounding area)	50	
	1	Jackson Hole, WY	532	
	1	Cody, WY	617	
			Total Miles Traveled	1,949
			Avg. mpg	21mpg
			Avg. Gas Price	\$3.42
			<b>Total Gas Cost</b>	
			<b>\$315.55</b>	

**Budget (cont'd)**

<b>Food</b>	# Trips	Avg. Meals Per Trip	Avg. Cost Per Meal	Total
	15	3	\$15.00	\$675.00
<b>Beverage</b>	# Interviews	# Beverages Per Interview	Cost Per Beverage	Total
	8	4	\$2.00	\$64.00
				<b>Total Food Cost</b>
				<b>\$739.00</b>
				<b>Total Spent</b>
				<b>\$19,203.00</b>
<b>Future Expenditures</b>				
<b>Film Festivals</b>				
	# Submissions	Avg. Entry Fee	Total Festival Cost	
	10	\$45	\$450	
<b>Film Premiere</b>				
	Description	Rental Price		
	Cable Center	\$1,800.00		
	Large PA Package	\$150.00		
	Large Speakers w/ Stands	\$50.00		
	Overhead HD Projection	\$1,050.00		
	Screen	\$175.00		
	On-site A/V Tech	\$100.00		
	Premiere Total	\$3325.00		
	<b>Total Future</b>	<b>\$3775.00</b>		
	<b>Grand Total</b>	<b>\$22,978.00</b>		

### **Chapter Three: Post-Production**

Post-production on the documentary essentially began by transcribing and making notes on all the interviews we conducted. We organized various ideas and themes that were emerging onto note cards, and once we finished making note cards, we were able to group similar ideas and themes together by moving the cards around. We then arranged the groupings of cards in a linear fashion, creating a timeline of the financial crisis as it happened from the very beginning. The various groupings of cards served as the basis for the individual chapters of the film.

After we organized all our thoughts, we began editing the footage together. To me, the editing process was somewhat of an alienating experience. More than any other time during production, I felt like the project was somewhat out of my hands. I was feeling defeated over the fact that I failed to find human interest stories for the film, and because of that, I felt like there was a disconnect between me and the project at this point. When I showed up for editing days, I felt largely indifferent to the overall structure and progression of the film. Instead, I was more concerned with the individual aesthetics of specific scenes, and the pacing of the individual chapters. For example, I was more concerned with how we cut between two camera angles than I was with the actual content. In a sense, this probably made the editing process go along a little bit faster. Having three people in the editing room butting heads can lead to a lot of frustrations and roadblocks, and the only time I really spoke up is when I disagreed with the audio/visual presentation of the material. Being a somewhat politically liberal individual, I also expressed some initial disagreement over the more conservative positions that our interviewees (and thus our film) take. I was wary of including some of Senator Alan Simpson's commentary about social security, Medicare, Medicaid, and the AARP, and some of Steve Bosley's interview was off-putting to me. But, I eventually came to terms with some of the more conservative values that some of the

people in our film embrace. Because we survey a variety of political opinions, I feel like we aren't pushing a single agenda or specific ideology. Instead, we are presenting a comprehensive look at the issue. The inclusion of Occupy Denver footage also makes me feel more at-ease with including more conservative political opinions that I don't necessarily agree with.

Perhaps my favorite part of the post-production process was teaming up with the music school and having freshman CJ Garcia compose a score for the film. Although he wrote and recorded several pieces for us, we ultimately only used two of his pieces for the film. The two songs appear as the intro and outro. They are minimalist, neo-classical pieces in the style of Philip Glass and Steve Reich, and they work well to establish a serious mood for our film. I was very satisfied with the work that CJ put in, and I'm glad we found him.

We also tried to establish a relationship with Digital Media Studies department to find an animator for the project, but no one responded to our requests. Animations would have helped explain some of the more confusing and complex aspects of the financial crisis, but ultimately, we didn't know anyone who could do the work. We ended up seeking other visual content that we could use in the project as b-roll. We used newspaper headlines from the *New York Times* and *Wall Street Journal* digital microfilm archives, and we incorporated news footage from various TV networks. We also used several political cartoons and clips from an episode of *South Park*. Almost all of the b-roll we have in our film was gathered (and converted into the proper video format) by me. The inclusion of political cartoons and *South Park*, however, presents a legal dilemma. We can easily claim fair use on the newspaper and TV news footage, but, the other content exists in a legally gray area. We believe that we are acting within our fair use rights to use this copyrighted material because the content is used in an educational manner and the work's marketability isn't negatively affected. And in the case of *South Park*, we are only using small portions of the copyrighted work. In the credits at the end of the film, we have a claim that states we are using the above-mentioned copyrighted content under fair use. If we are ever challenged and sent a cease-and-desist by a copyright holder, it will be easy to remove the content from our film. In no way is the material inherent to making our documentary work.

Although I struggled with the post-production process, I am happy to say I really enjoyed working with Johnny and Will on this project. We are friends outside of the project, and we naturally get along with each other pretty well. Although there may have been some disagreements here and there about the project, I can report that we all treated each other with a professional respect and worked through any issues that we had. That being said, I'm not so sure I would choose to do a group thesis project if I had to do everything all over again. Will, Johnny, and I all tried to exert a certain degree of control over the project, and when everybody is vying for control, it's difficult to create a cohesive product. It's not like there were serious power struggles, but creative control can be a tricky and sensitive thing. One of the biggest downsides to working in a group is that it tends to diffuse responsibility. It's hard for me to argue why or why not a certain shot is in the film, or why a sequence is edited a certain way. It becomes difficult to rationalize or explain something that another crew member is really responsible for. In many respects, I think working as a group shifts focus towards simply moving forward and making progress, rather than creating a quality product. Instead of constantly putting up a fight, concessions are made for the sake of the group and to move things along. It is through this process that individual responsibility becomes lost. And conversely, in some cases, working with a group increases a sense of personal responsibility. When you are accountable to other people and not just yourself, there's a pressure to not let others down. In my experience, I'd say that working with a group diminishes creative responsibility, but fosters a responsible work ethic. I would work with Johnny and Will again on future projects, but I almost wish that I had used my master's thesis as an opportunity to pursue a project that meant more to me personally.

## **Chapter Four: Conclusions**

It seems like every part of this thesis project was a learning experience, one way or another. I think the biggest thing I learned about was group dynamics. I've always enjoyed doing video work by myself, but being in the position where I have to work with others (over the course of a year) has taught me a lot. At times, it's good to be able to put yourself in situations where you are outside your comfort zone, and I feel like I've learned a lot about myself in the process. In working with a crew, I've realized that I'm much more interested in the filming (production) process than I am the post-production process (I always thought the opposite to be true), and that I have an innate interest in telling personal and emotional stories. I've also learned that I really do need to speak up more (and earlier on) if I feel like I object to the direction that a project is headed. I've had this problem of non-assertiveness with previous group experiences, and I need to take more risks by putting myself out there. When the documentary started becoming less and less about personal narratives, I became more and more concerned, but I really didn't say anything. By the time we got around to editing and assembling footage, I wasn't as emotionally invested in the project as I should have been. I still put in the work and met with the crew to edit footage, but I felt like the project was in a different place that I wanted it to be.

However, ever since finishing the final cut of the film, I've taken more pride in the project. I think I was getting tired of working on the film and I just wanted a lot of it to be over with, especially because it was lacking the human interest stories that I so desperately wanted. But, after taking some time to cool off from working on the project, I'm happy with what we have and I'm proud of the work that I put in. I think the film is easy to follow, and I'm really excited about the Occupy Denver footage that I was able to capture.

If I had more control over the project, the documentary would be focused more on the human interest stories like Occupy Denver (or on the individuals involved with Occupy Denver). In general, it was a lot easier to get people in front of the camera at the Occupy protests, and if I was afforded more time and creative control, I would have spent more time with the protestors because some of them gave me outstanding interviews. I was always more interested in this humanistic aspect of the crisis and the individuals who were affected, and if I had ultimate control of the project, I would focus specifically on Occupy Denver and how it is a direct symptom of the financial crisis. In the current cut of our film, we deal with the crisis in such a broad way that it is hard to get a grasp of how the actions of a few ultimately affected a great number of Americans at the bottom of the chain. By focusing on individuals, I would be able to convey—on a deeper level—just how much the people responsible for the crisis hurt everyday Americans.

This project was, however, a collaborative effort and we all had an equal say on the direction of the film. Because of that group dynamic, it was a lot easier to make progress by making certain concessions instead of arguing against everything we disagreed with. By admitting to ourselves that we couldn't possibly reconcile every difference of opinion, we were able to move ahead meaningfully with the project. One area where there were disagreements was over the ideological and political content of the individuals we interviewed. Will tended to come from a more conservative perspective (agreeing with the more conservative values of those we interviewed), and I tended to embrace a more progressive ideology. Johnny sat somewhere in-between us. Specifically, Will had reservations about the more liberal Occupy Denver footage, and I had reservations about the more conservative opinions expressed by people like Steve Bosley. But, by conceding on these points (and leaving the footage in the film), we ended up with a stronger documentary. While we might have been wary about including certain content we didn't necessarily agree with, we ultimately realized that including a variety of political and social opinions bolstered our film and made it stronger. I think it is clear that our film is more or less a survey of differing opinions, and that it is in no way a one-sided argument. I think this makes our film stronger, and appeals to a broader audience.

We still have plans to send the film to different festivals, and depending on the length requirements of each festival, we may need to cut the film down. The final cut ended up being 40-minutes, which I think is a good length for the content that we have. We will probably start with local festivals first, see if the film gets any traction that way, and gauge our next move from there.

The end of this thesis marks the end of my graduate school career, and in a way, I'm somewhat paralyzed by the thought of finding full-time employment and starting my career. However, this thesis has provided me with the opportunity to work in a field that I really enjoy working in, and it's an experience that affirms what I really want to do in life. In any capacity, I want to be involved with the filmmaking process. It is such a unique and rich medium, and the effect that it can have on people is amazing. The graduate school experience at University of Denver fostered the excitement that I have for film, and for that, I am extremely grateful.

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## **Appendix: Original Proposal**

### **Introduction**

The following proposal lays out the groundwork for a joint project between students of the Media, Film and Journalism Studies department and the Daniels College of Business. The purpose of the document is to describe various aspects of the filmmaking process and to lay out the framework for the vision of the film. The proposal will serve as a working blueprint for the successful execution and completion of the film.

### **Mission**

To create a high quality, documentary film on issues related to the financial crisis and its impact on our community.

### **Vision**

In September 2008, the face of the financial landscape broke down with such significance that the current economic system has been drastically altered. The following events played a key role in the economic downturn:

- Subprime mortgages were issued, grouped into mortgage backed securities
- Derivatives were deregulated by the government
- Derivatives are exploited by major lending and financial institutions
- Housing demand and shifts, as does the ability of the American public to pay off mortgages
- Mass defaults on mortgages make the securities worthless, crash banks and lenders
- Banks are nationalized to "prevent" all out economic failure

Despite initially stemming from the actions of financial institutions, insurance companies, and their leadership, the effects and consequences of the most recent economic downturn have been systemic, reaching all areas of American society and pulling global economies into the undertow. It is not our intention to point fingers at those responsible, but rather to discover how certain individuals have been affected and what we can learn from the stories that have emerged. We intend to explore how have people coped with adversity, how businesses have adapted and innovated to pull through, and what role policy will play in correcting the financial setting. This documentary will not propose a solution to future market failures, rather it will serve as a call to action for those currently sitting on the sideline, waiting for an upturn.

We believe that the story of this crisis lies in the lives of people who have been directly impacted by the downturn, but have managed to persevere, innovate, and keep themselves together or even excel during these difficult years. This story should be told through the many Americans who fell subject to predatory lending practices, borrowed over their heads, and eventually lost their homes. This story lies in the daily operations of innovative small business owners, who despite the credit freeze and inability to secure long-term loans were able to grow and succeed. There is an overwhelming number of people who have a direct stake in what has happened over the past two years and the question at hand is how do we proceed from here. It is our intention to discover how those individuals and entities have acted in response to the crisis, and how they plan to move forward from this epoch that tilts between crest and trough.

We are not looking for the defibrillator that will resuscitate what may or may not be left of the current system. We are looking for how this country - its policies, its businesses, and its citizens - has dealt with the adverse circumstance brought about by controlled forces acting within a complete construction of its own creation. We stand like millions of others with our hands thrown up in frustration. We are only able to ask questions. How did we get here? How do we proceed? Can we find success as we move forward? How do we find answers to the questions that we have about this crisis? How are we going to meaningfully engage the current system and navigate the waters of the financial structure?

As students, we believe our community can gain insight into society's future by studying not who is to blame or what happened to cause this, but rather who took initiative to succeed. A timeless message inspires people to act and that is the message we intend to convey.

### **Literature Review**

Since the financial crisis of 2008, there have been several documentaries produced about the subject—most notably *Inside Job* (8 October 2010), which won the award for Best Documentary Feature at the most recent Oscars. In 2009, Michael Moore came out with *Capitalism: A Love Story* (October 2, 2009), and the PBS series *Frontline* produced a piece on the financial crisis titled “Inside the Meltdown” (17 February 2009). These films focus on the the main players involved in the recession, and the factors that led to an economic downturn. Several other documentaries were produced and released prior to (or right around) the financial crisis. *I.O.U.S.A.* (14 November 2008), *Maxed Out* (10 March 2006), and *Enron: The Smartest Guys in the Room* (22 April 2005) deal with issues of predatory lending, shady business practices, and notions of corporate greed. These films are interesting in the regard that they preceded the 2008 economic downturn and that they foresaw certain elements of the eventual recession. In this literature review, I will discuss these films and hash-out the major themes, topics, and modes of presentation of each respective film.

*Inside Job* functions as an expository documentary that highlights the faulty systemic policies within the financial services industry that eventually led to the 2008 crisis. Matt Damon narrates the film, helping to explain the “narrative” of the economic downturn.

Because *Inside Job* primarily focuses on the recession of the U.S. economy, the beginning film comes as a surprise, yet helps contextualize the American experience of the crisis; the film begins with a prologue that describes the complete economic depression currently being experienced in Iceland which was caused by extreme government deregulation and privatization of major financial institutions. The narrative of Iceland is then paralleled and compared with the current situation of the United States economy. This prologue intro—describing Icelandic

economic decline and its relation to the United States—lasts only five minutes, but functions as an important hook for the audience. It creates a tangible sense of impending danger for the United States and Americans, acting as a figurative “wake-up call” that suggests more policy changes are needed in the financial services industry.

After the prologue, the film addresses the news that broke on September 15th, 2008—that Lehman Brothers had declared bankruptcy, and that the world’s largest insurance company, AIG, had collapsed. Through the inter-cutting between narration and interviews with academics, business professionals, CEOs, and politicians, *Inside Job* not only lays out how the collapse of the markets in 2008 affected individuals, but how the downturn happened as the inevitable result of “an out of control industry.” The film from here is organized into 5 major chapters: 1) How We Got Here, 2) The Bubble, 3) The Crisis, 4) Accountability, and 5) Where We Are Now.

Stylistically, *Inside Job* is a very confrontational documentary. Charles Ferguson, the director of the film, is unabashed in his interviewing style and unafraid to ask controversial—sometimes inflammatory—questions. When interviewing Scott Talbot, the chief lobbyist for the Financial Services Roundtable, Ferguson asks, “are you comfortable with the fact that several of your member companies have engaged in large-scale criminal activity?”

*Inside Job* has an engaging visual style. It makes use of a 2.35:1 aspect ratio, which is something rather unconventional for documentaries. This gives the film a very cinematic look, and makes the framing of interview scenes interesting from a compositional standpoint. Typically, interview subjects will occupy  $\frac{1}{3}$  of the screen, and are alternated left/right. This is done to visually engage the viewer and keep their eyes moving, but it also has the effect of creating an emotional distance between the viewer and the subject because they occupy such a small portion of the frame. When avoiding excessive “talking head” interviews, *Inside Job* makes extensive use of animations, charts, scanned documents, pictures, news clips, and other archival footage to anchor the interviews and narration in ways that helps the audience grasp what’s being talked about; these visual components are not only visually interesting, but informationally and emotionally engaging. For example, when the narrator is talking about the Glass Stegall act and

the merger of Citi and Travellers Group, we are visually shown a congressional lawbook that contains the details of the bill.

Frontline's episode entitled "Inside the Meltdown" takes a much more journalistic and emotionally restrained approach to covering the financial crisis than what is seen in *Inside Job*. The episode is produced and framed similarly to other episodes of Frontline. It starts by chronicling the events of early 2008 that signaled a possible forthcoming disaster. In the spring of 2008, there was an alarming rise in home foreclosures, and there were worries that dropping home values would negatively affect other markets and the financial services industry. *Inside the Meltdown* follows the eventual fallout from the burst of the housing bubble, and documents the crash of Bear Stearns, AIG, and addresses how the housing bubble was really the catalyst for the breakdown of our economy and financial services industry.

Sit-down interviews are typically conducted with journalists (i.e. Gretchen Morgenson and Charles Duhigg of *The New York Times*) and academics (i.e. Economists Mark Gertler and Paul Krugman), but the film features less speaking time with those involved in the financial services industry. Naturally, this leads to a less confrontational documentary style, but in a sense, it provides for a tone that is less accusatory and more contemplative. Instead of engaging in an "Us vs. Them" attitude and mindset, this episode of Frontline steers away from being too controversial or confrontational by reporting facts from a neutral point of view. To compare with *Inside Job*, for example, there's almost the sense that there's nobody even behind the camera. Interview subjects feel like they are storytellers more than interview subjects, and a person is never heard asking any questions to the interview subjects from behind the camera. *Inside Job* has a lot of back-and-forth between director Ferguson and his interview subjects, whereas Frontline is more removed. Although this type of documentary filmmaking tends to be less emotionally charged, it is still intellectually engaging and thought provoking.

Visually, *Inside the Meltdown* is somewhat different than *Inside Job*. Although both films make use of visual aids, "Inside the Meltdown" is more reserved in its use of secondary footage. Instead, there is more reliance on use of self-produced b-roll footage. Sometimes photographs

are used with the “Ken Burns effect,” but it is apparent that Frontline does not have the same budget of a movie like *Inside Job* to afford archival footage and other copyrighted material. However, this does not work to the detriment of the overall product. By using dramatic music, employing “Ken Burns” shots of black and white photos, and by intertwining interesting, suspenseful interviews with tasteful b-roll footage of Wall Street and Washington D.C., the final product exudes a gravitas and seriousness that is unsettling and disconcerting. An example of this is the intro sequence that talks about the emergency meeting on Capitol Hill on 18 September 2008. These were critical days of the crisis, and the threat of complete financial collapse was real. By incorporating news footage with serious music, the piece takes on a dramatic tone.

While the films mentioned thus far in the literature view have posited that the financial crisis was the result of bad financial policy, irresponsible business practices, and corporate greed, Michael Moore’s film *Capitalism: A Love Story* argues that there is a more fundamental issue at hand. Moore makes the case that unrestrained capitalism played an inherent role in the eventual downturn of the economy. While *Capitalism: A Love Story* covers a wide variety of pitfalls related to capitalism (corporate greed, its direct conflict with religious values, etc.), a significant portion (mostly the second half of the film) deals specifically with the financial crisis.

The first point that Moore makes about the crisis is that subprime lending (and predatory lending in general) was the driving impetus of the disaster. In dealing with the topic of the subprime market, Moore addresses and pays special attention to the humanistic and emotional parts of the story. On three different occasions in the film, families are shown being evicted from their homes after being foreclosed on. The use of dramatic music also plays into these emotional elements. When describing the September 2008 market crash as analogous to a dam bursting, a foreboding instrumental soundtrack suggests an emotional tone that would be absent otherwise.

Moore then links subprime lending to notions of corporate greed and unethical behavior. He argues and explains that some of the CEOs and higher-ups of major financial institutions were made rich by engaging in risky subprime lending, and that such lending was lucrative exactly

because of the higher interest rates involved. The selling of toxic assets was rampant, and the short-sightedness of making quick money in the subprime market undoubtedly played a crucial role in the eventual collapse of the market; When home foreclosures reached a new high in September 2008, it had a domino effect on the rest of the financial services industry. Bear Stearns, Lehman Brothers, AIG, and Washington Mutual were hit especially hard, eventually going out of business, with many other banks, brokerages, and insurance companies suffering major losses. Again, Moore relates all of these events as being entirely symptomatic of capitalism.

Capitalism: A Love Story is stylistically a much different film than Inside Job and Inside the Meltdown. The film follows the same formula and style of Moore's other confrontational documentaries, and is heavily influenced by the expository, participatory, and performative modes of documentary filmmaking. Consequently, Moore injects himself into Capitalism in interesting and funny ways. In one sequence, he goes to all of the major banks on Wall Street with an empty cash bag, attempting to get the money back that they received in the 2008 bailout. While some find this signature Moore-style approach to filmmaking unappealing, it does yield funny and sometimes unexpected results. When a doorman at Goldman Sachs prevents Moore from entering the building, Moore gestures towards the door and asks, "what would happen if I made a run for it right now?" The doorman pauses, shoots him a glare, and shrugs his shoulders and arms as if to say "I don't know." This sort of comedy is essential in Capitalism and helps lighten the mood in contrast to the more dramatic and depressing content.

Visually, the film is very engaging. Moore deftly weaves archival footage, interviews, and C-Span footage to punctuate his arguments against capitalism. However, in my opinion, the most creative use of visuals in this film is the use of 1950's footage. Moore uses these visuals in a variety of creative and interesting ways. When explaining that the top tax bracket used to pay taxes on 90% of their income, Moore shows us retro footage of dams, bridges, schools, interstate highways, hospitals, and the moon landing—explaining that all of these things were created through taxation of the wealthiest Americans. Moore explains that families used to be able to live

off the pay-check of one bread-winner, job security was better, high school students could go to college without having to take out loans, most families had savings accounts, and that there was a strong middle class in general. All while making these points, we are presented with “wholesome” 1950s imagery—a mother walking down the aisle of grocery store, men working on an assembly line, a couple water-skiing, a mother and father attending their child’s graduation, a family on a rollercoaster. Ultimately, these retro visuals help create a nostalgia for the way things used to be, and helps bolster Moore’s point that financial deregulation and Reagan-era tax code changes destroyed the middle class. This 50s film footage re-appears throughout *Capitalism* and serves a variety of purposes: comedic tone, emotional effect, and even to help advance the plot, but its use is visually interesting and adds variety to the film. These visual devices are something to keep in mind as we go forward with our project, because it will benefit us to think of ways that will keep our audience interested in what they are seeing.

Produced and released before the financial crisis hit in 2008, *Maxed Out* focuses on the credit card industry and issues of predatory lending. *Maxed Out* might not focus on the financial crisis, but many of the issues that it brings up are entirely interrelated to the crisis. In many ways the film foreshadowed the economic downturn; it highlights the abusive and predatory practices of credit card companies, and reveals an unsettling eagerness of debt buyers to purchase up debt from creditors. The overall theme of the movie revolves around the idea that the United States has become a country of debt, and financial institutions are willing to exploit that for their own financial gain. While *Maxed Out* concerns itself with the credit card industry, this documentary about predatory lending is entirely analogous to what happened with the real estate market and subprime lending in 2008.

*Maxed Out* lacks a narrative through-line, and instead compartmentalizes various topics of discussion about the credit card industry throughout the film. However, the movie seems mostly grounded in the personal and emotional stories about those who have been wrecked by credit card debt. In one sequence, two women—Trisha and Janne—recount stories of how their children left for college and accrued massive credit card debts. Janne explains that her son at

one point had 12 credit cards. It is eventually revealed that Trisha's daughter and Janne's son both committed suicide over the debt they had individually accumulated. While *Maxed Out* offers a biting indictment of the credit card industry, the film works effectively in focusing on these sorts of personal narratives. In this sense, I feel that *Maxed Out* most resembles the documentary we are setting out to make about the financial crisis. It covers the issue of credit card industry abuses in a serious tone, it offers a comprehensive look at the issue of lending and debt, but more importantly, it addresses significantly the "human element" of those affected by credit card debt.

Visually, *Maxed Out* relies primarily on self-shot footage. There is some use of archival and news footage (and coincidentally, the film uses the same type of retro 50s film footage as *Capitalism: A Love Story*, and in the same manner), but the majority of the film is composed of self-shot interview footage. Although there is more of a reliance on talking head interviews in this film, it works well; the interview subjects seem to function more as story-tellers, and the visual form of these interview sequences seems to aid the story-telling aspect of the film. During the interview sequences with people who have dealt with debt, there is a closeness between the camera and the subject (either through close camera placement or a zoom). This has the effect of creating an emotional closeness to the person being interviewed. However, of all the films covered in this literature review, *Maxed Out* is the least visually engaging.

In addition to films, much has been written about the financial meltdown of 2008. An important book that covers the crisis is Matt Taibbi's *Griftopia*. *Griftopia* is composed of seven individual essays that cover different aspects of the crisis, and chapter 3—entitled "Hot Potato"—provides invaluable insight into the structures that existed that allowed the financial crisis to happen. It details—in a very easy to understand vernacular—how the mortgage market was being diluted with bad investments, and even how responsible homeowners were duped into taking out mortgages that would eventually hurt them.

In "Hot Potato" Taibbi tells the story of man named Eljon Williams, who meets a self-described mortgage expert by the name of Solomon Edwards. Williams instantly forms a friendship with Edwards, who Williams genuinely believes to be an advocate for underprivileged

and low-income homeowners. Edwards eventually helps Williams secure a fixed-rate mortgage for a new house, but trouble arises when Williams receives a note from his mortgage owner, informing him that the interest on his adjustable rate mortgage has been increased. Believing this information to be a mistake (the mortgage is supposed to be fixed-rate), Williams phones Edwards to mend the situation. Williams insists that the mortgage promised to him was fixed-rate, but Edwards tells him that it was adjustable, and that he had been told that from the beginning. Edwards stops answering Williams calls and eventually disappears completely. Williams soon realizes that he's been scammed, and that Edwards had actually made \$12,000 by rigging the appraisal of the property (it turns out that Edwards was the appraiser). Amidst this whole situation, Williams's wife is diagnosed with ovarian cancer, which causes a great deal of financial difficulty for the family.

In an attempt to work the situation out, Williams contacts America's Servicing Company (the owner of his mortgage). He explains to them his wife's life-or-death medical situation and the deceitful circumstances surrounding the issuance of his mortgage. He pleads with ASC to modify their loan, but is ultimately told there is nothing that they can do. Taibbi then goes on to explain just how Williamses landed themselves in this situation. It turns out that Edwards falsified the Williams's credit score so that it actually represented a much lower creditworthiness than they were actually worth, qualifying them for a subprime loan, when in actuality they would have qualified for a regular, fixed loan. By pushing a subprime mortgage, Edwards was able to make much more of a commission than if he had given the Williamses a prime loan. Edwards had also doctored the loan application so that Clara, Eljon's wife, appeared to make \$7,000 more a month than she really earned.

Taibbi then goes on to explain the exact nature of the relationship between mortgage lenders and investment banks to illustrate the larger context of the Williamses situation. The mortgage lenders "job" was to create a large number of loans in any way possible, and while this might have presented a problem for lenders in the past (they would have not been as likely to lend to those who couldn't pay back their loans), the age of securitization allowed for quick money

to be made off of these subprime loans. Instead of making the loans and waiting until they reached maturity, securitization allowed for banks to pool various mortgages together, where they could then be sold off to other investors as securities. The basic principle behind securitization is that it allows for short-term cash to be made off of long-term streams of income. Prior to the advent of securitization in the 1970s, money could only be generated and accessed through the monthly payments made by homeowners. However, after the invention of securitization, banks could take their loans, group them together, and “sell the future revenue streams to another party for a big lump sum—instead of making \$3 million over thirty years, maybe you make \$1.8 million up front, today” (84).

However, it wasn't just securitization that allowed for outrageous lending practices. Lenders were still limited in the sense that they didn't want to buy mortgages unless they were actually good loans and could be paid back. But, with CDOs (collateralized debt obligation), banks could generate significant cash-flow. By creating a tiered system in which pooled mortgages were rated, shares of mortgages could then be sold to outside investors. CDOs work by splitting the mortgage pool into three sections and assigning a rating to each section. Investors who bought shares in the top tier—referred to as “AAA”—were the first to be paid when mortgage payments were made by homeowners. These investors were almost always guaranteed their money, but AAA rated CDO securities tended to not generate large amounts of cash. The second tier—the “B” level—had a potentially higher pay-out to investors, but if mortgage lenders were not able to collect the minimum amount of money needed from homeowners, these investors were not paid at all. The lowest tier—often referred to as “toxic waste”—allowed for the highest potential rate of return, but was the riskiest to invest in. Investors who bought shares in toxic mortgages were essentially engaged in high-risk gambling; they faced high pay-outs if mortgages were paid, but they also faced a high likelihood of not making anything at all. CDOs changed the way in which investment banks made their investments:

“[They] allowed lenders to get around the loan quality problem by hiding the crappiness of their loans behind the peculiar alchemy of the collateralized structure... now the relative appeal of a mortgage-based investment was not based on the individual borrower's ability to pay over the long term; instead, it was based on computations like ‘what is the

likelihood that more than ninety-three out of one hundred homeowners with credit scores of at least 660 will default on their loans next month” (100).

This situation becomes even more problematic when you begin to understand just how the rating agencies functioned in rating the CDOs. The investment banks financed the same rating agencies that were rating their mortgage pools, and obviously, they were more likely to give a higher rating to packages that didn't deserve a high rating. Goldman Sachs, for example, pooled together 8,274 mortgages in 2006 in a package called the “GSAMP Trust 2006-S3.” Of the mortgages in this package, the loan-to-value was 99.21%, meaning that the homeowners who had taken out these mortgages had paid less than 1% in down payment. 58% of these mortgage loans were considered “no-doc” or “low-doc,” “meaning there was little or no documentation, no proof that the owners were occupying the homes, were employed, or had access to any money at all” (86). Obviously, the mortgages in this package were toxic and practically destined to fail. However, 68% of the mortgages within this package were given a AAA rating. Moody's, one of the two major rating agencies, came up with an excuse in May of 2008 that blamed a “computer error” on the over-rating of countless mortgage packages.

Taibbi then relates how this entire structure of mortgage loans, securitization, and CDOs exists in context to the story told earlier of the Williams family and how they were conned by “mortgage expert” Solomon Edwards. The whole process begins with a mortgage broker like Edwards, who works with a mortgage lender to issue a loan to a homeowner. At this level, mortgage brokers and lenders (like Edwards) are only interested in the immediate money that they can make for themselves. By issuing risky loans, they in-turn make more commission. From this level, the mortgage is sold off to an investment bank who then groups it into a securitized pool, where it can then be sold off to bigger investors. Because the lowest rated securities see the the biggest potential cash return, there was a big interest by investors to buy shares of toxic mortgages. Taibbi explains the motivations to make such an investment: everybody involved is only concerned about the short-term benefits, and not thinking about the long-term sustainability of investment structures. Investors could:

“buy the waste, cash in on the large returns for a while... and hope the homeowners... can keep making their pathetic 1 percent payments just long enough that that the hedge fund can eventually unload their loans on someone else before they start defaulting” (90).

This short-term mentality existed throughout the entire chain of mortgage loans, and everybody involved seemed only interested in making a quick buck. The people at the bottom of this chain—people like the Williamses—were ultimately hurt the most by this short-term lust for easy money.

Taibbi then goes onto explain how credit default swaps played an important role in the financial collapse. Credit default swaps, he explains, are a type of insurance policy that are essentially bets on a specific outcome in the market. The basic idea is that two bankers get together and bet against each on whether or not a homeowner will default on his or her mortgage. Banker A agrees to make a fixed payment every month to Banker B for a given length of time, so long as the mortgage isn't defaulted on. If the homeowner defaults on their mortgage, Banker B has to pay Banker A the full amount of the original loan that was given to the homeowner. This used to be a simple insurance tool for banks, but two developments turned credit default swaps into a way to make large sums of money for investors. First off, no regulations existed to make sure that at least one of the parties involved in the credit default swap had a financial stake in the bond being bet on. Taibbi explains that this lack of regulation allowed banks to gamble on bonds in way that was similar to “allowing people to buy life insurance on total strangers with late-stage lung cancer” (98). The second problem with credit default swaps was the fact that a bank did not have to have any money at all before it sold credit default swap insurance. Taibbi then goes on to say that this type of conduct by Wall Street was worse than the activities of a casino (something Wall Street has routinely been compared to). Casinos, Taibbi explains, at least do “not allow people to place bets they can't cover” (98).

“Hot Potato” is an engaging chapter of *Griftopia* that has the ability to convey both an emotional and intellectually engaging back-story of some of the individual factors that led to the financial meltdown. By telling the story of how Eljon Williams was duped into agreeing to a subprime mortgage against his knowledge, Taibbi is able to create a compassionate face that his audience can sympathize with. This humanistic element is exactly the story that we want to be

able to tell in our film. It grounds the narrative of complex financial processes in something relateable and emotional, and it defines Wall Street's abuses in humanistic terms; it also illustrates the short-sighted policies and tactics that existed to make quick money off of innocent people.

One thing becomes readily apparent when reading Williams's story: the entire chain structure related to subprime mortgage lending is essentially based on the principle of disregarding the long-term sustainability of said structure. From the top to the bottom, the individuals involved were more concerned with lining their own pockets than looking out for the "little guy" or the overall sustainability of the system. This is not just a systemic problem, but also a moral pitfall of those trying to make money on Wall Street. It will be important for us as a group to be able speak about these notions of corporate greed, but we need to be mindful that our purpose in this film is to talk about how these systemic and moral problems ultimately affected the innocent or unknowing homeowners at the bottom of the chain.

Another important point to take away from "Hot Potato," is that it illustrates exactly how the entire financial system in the United States had eventually become assembled into a row of dominoes, waiting to be pushed over. Wall Street had essentially figured out how to make money off of making money, and in turn created a system that couldn't last. When homeowners began defaulting on their mortgages, it sent shockwaves through the entire U.S. financial market. Because the mortgage industry had become so intertwined with other forms of investments, there was no way that investment banks could escape unscathed if homeowners started defaulting on their mortgages. When this finally happened in 2008, the government had to step in to fix the situation.

Popular author Michael Lewis was a bond salesman on Wall Street during the 1980s, and wrote about the crisis in his 2010 book entitled *The Big Short*. *The Big Short* explores and attempts to answer exactly who knew about the forthcoming crisis in 2008, and ultimately, who benefitted from that knowledge.

The book begins with Lewis's story of speaking to Meredith Witney, a financial adviser, who lists a man named Steve Eisman as one of the figures who made billions off of betting against subprime mortgages—the same type mortgages that were sinking Citigroup. The book shifts perspective, and then begins to tell the life story of Steve Eisman, an analyst at Oppenheimer securities. Eisman had believed that subprime lending was initially a good thing for lower-class Americans because it would move them away from higher interest rates with credit card debt, and to lower interest rates on mortgage debt. However, after hiring a man named Vinny Daniel to look into subprime lending, Eisman discovered that “subprime lending companies were growing so rapidly, and using such goofy accounting, that they could mask the fact that they had no real earnings, just illusory, accounting-driven, ones” (16). Eisman wrote a report about this in 1997, trashing subprime originators, and explaining that the numbers and statistics made public were in fact much different than the actual figures.

Eisman then investigated lending giant Household Finance Corporation in 2002 and discovered how it was making a fortune off of second mortgages. By dishonestly offering 15-year loans that were “bizarrely disguised” as 30-year loans, Household could essentially double the effective interest rates of those they lent to. While Eisman's investigation of Household revealed the deceitful tactics at-play in consumer lending, it also revealed the unwillingness of the government to prosecute against lenders who engaged in deceptive lending tactics. In a discussion with the Attorney General's office of Washington state, Eisman discovered that the government was unwilling to prosecute against Household because “[they were] a powerful company... if they're gone, who would make subprime loans in the state of Washington” (18)?

By 2004, Eisman was finally coming to the conclusion that consumer finance existed to essentially rip people off. In 2005, he had assembled a team to run his new hedge fund, and after meeting with major players on Wall Street, they all “shared a sense that a great many people working on Wall Street couldn't possibly understand what they were doing” (23). Instead of taking a learning lesson from the subprime market crash of the 1990s, Wall Street was issuing subprime mortgages at sightarming rate, and that the vast majority of these loans were being repackaged

as mortgage bonds. Subprime lending was at an all time high, and counter-intuitive to that, interest rates were rising. Eisman had also discovered that the terms of subprime loans had changed dramatically; while subprime mortgages had historically been issued mostly as fixed-rates, 75% of subprime loans were floating-rate by 2005. By this time, all major Wall Street investment banks were “deep into the subprime game” (24). Eisman saw how this lending structure was unsustainable, and knew that he could make substantial amount of money by short selling the stocks of investment banks when homeowners started defaulting. Eisman, along with a few other individuals, was able to see the collapse coming, and they made millions of dollars through short-selling and credit default swaps.

The Big Short re-enforces the major themes that emerged from Taibbi’s “Hot Potato” chapter in Griftopia. There was a general short-sightedness by banks and investors to make quick money, and in an attempt to generate more money, banks were repackaging bad subprime loans into mortgage bonds and selling them off to other investors. The Big Short also re-enforces the fact that mortgage lenders were using deceitful tactics to loan to homeowners at the bottom; by pushing bad mortgages, lenders could make much more money. The unwillingness of government to step-in and take action against practices that seemed outright fraudulent is another theme that emerges from Griftopia. But, the most important thing to probably take away from The Big Short is that there were the individual people who foresaw the eventual collapse and were able to make money off of it.

Andrew Ross Sorkin’s book Too Big To Fail provides a detailed narrative of the financial bailout from the perspective of the major banks and government officials who had to bail them out. The last chapter of the book deals with the infamous meeting that took place between Henry Paulson and the CEOs of the “Big 9” Wall Street firms. The chapter begins with Secretary of the Treasury Hank Paulson speaking with Chairman of the FDIC Sheila Bair, Chairman of the Federal Reserve Ben Bernanke, and President of the Federal Reserve Bank of New York Tim Geithner. Speaking with them in his office, Paulson ran through the talking points of their impending meeting with the “Big 9” CEOs. The most important aspect of their discussion was

TARP—the Troubled Asset Relief Program, which would bail the banks out—something Sorkin calls the “equivalent of welfare checks, earmarked for the biggest banks in the nation” (521).

Paulson, still preparing for his meeting, recited one of his talking points that he was about deliver to deliver to the CEOs:

“To encourage wide participation, the program is designed to provide an attractive source of capital, on identical terms, to all qualifying financial institutions. We plan to announce the program tomorrow—and—that you nine firms will be the initial participants We will state clearly that you are healthy institutions, participating in order to support the U.S. economy” (522).

Geithner believed that this approach was too soft, and that the language needed to be toughened in order to get the CEOs to agree to their terms. To him, the pitch could not be interpreted as optional. Paulson agreed, and a new talking point was drafted:

“This is a combined program (bank liability and capital purchase). Your firms need to agree to both... We don’t believe it is tenable to opt out because doing so would leave you vulnerable and exposed... If capital infusion is not appealing, you should be aware that your regulator will require it in any circumstance” (522).

Paulson, Bair, Geithner, and Bernanke wondered if the CEOs would agree. When the “Big 9” CEOs arrived at Paulson’s office, it was the first (and possibly only) time in history that the most powerful heads of American finance were gathered in the same room. Paulson proceeded to tell them that they needed to accept the TARP money:

“We regret having to take these actions... but let me be clear: If you don’t take it and you aren’t able to raise the capital that they say you need in the market, then I’m going to give you a second helping and you’re not going to like the terms on that... This is the right thing to do for the country” (524).

Many of the CEOs who were wondering why Paulson had arranged the meeting quickly realized what was happening. Ken Lewis, CEO of Bank of America, was the first executive to voice his opinion on why they should all sign. He explained there there was “a lot to like and dislike about the program,” but if they didn’t have a “healthy fear of the unknown, then [they were] crazy” (526). He finished by saying that everyone knew they “were all going sign” (526). Bernanke immediately followed by saying that the country was in the worst financial shape since the Great Depression, and asked everyone to look out for the common good. John Mack, head of Morgan Stanley,

asked for the paper and signed his name. Within 40 minutes, seven out of eight of the other CEOs signed on. Within hours, everyone was on-board.

The epilogue to *Too Big to Fail* mentions the impact that TARP had on the American economy, and addresses the public discourse concerning the relationship between the government and capitalism. By bailing out the major banks, the United States government had become a major share-holder of the most important American financial institutions. The public was uneasy about this relationship, and Sorkin argues that what emerged was that “traditional political beliefs had been turned on their head” (530). President Bush, who signed the TARP bill, found himself in the un-Republican position of advocating for government intervention. The TARP money was not a panacea for all the country’s financial problems, however. Treasury officials referred to Citigroup as “the Death Star,” and the bank received another \$20 billion on top of the \$25 billion that it received in TARP money. Controversy erupted in early 2009 when Bank of America required another \$20 billion bailout, even though billions of dollars worth of the original bailout money were used to pay executive bonuses. AIG ultimately ended up with \$180 billion from the government, with no apparent way to be able to pay the money back. Coincidentally, AIG was looking more and more like the subprime homeowners who were unable to pay back their mortgages.

Sorkin ends his book by discussing whether or not the financial crisis could have been avoided. He doesn’t give a definitive answer yes or no, but says that the foundation for the financial meltdown had been laid down long before Secretary Paulson took office in 2006. A variety of factors such as “deregulation of the banks in the 1990s... the push to increase homeownership... and the system of Wall Street compensation that rewarded short-term risk taking” all contributed to the financial crisis of 2008 (534). Sorkin ends with the notion that studying the financial crisis is important, but only if that knowledge is used to better the financial structures of our economy. If we don’t apply the lessons learned from the financial meltdown, then we are doomed to repeat our mistakes.

Because *Too Big to Fail* gives a glimpse into the lives of the public and private sector individuals who were directly involved with the crisis and the resulting bailout, it is a good resource for us to use. It gives a unique insider perspective of the whole situation and the individuals involved. Although our documentary won't focus on the extremely small details like *Too Big to Fail* does, the book serves an important purpose in highlighting several key things. One of the most important things to take away from *Too Big to Fail*, is that the bailout may have prevented a catastrophic meltdown of our financial system. This is an interesting issue, because of the opposition by many to the very thought of government bailouts. However, *Too Big to Fail* frames the government intervention as a type of necessary evil. This then raises the question of what exactly the future of the government's role is in regulating the markets. How will the government make sure that something like this never happens again? The relationship between the government and the markets is something that will be important for us to explore in our film, and *Too Big to Fail* provides a thought-provoking framework to work from.

### **Content Structure**

Our film will follow a three act structure from which the emotional arc of the film will be based. Preceding the first act in the film, an introduction will include a brief emotional hook that relates a personal story about a family or individual who was affected by the financial crisis (i.e. personal bankruptcy or foreclosure). Following the hook, the first act will include a background/educational piece depicting the relevant facts which orient the audience with the basic information necessary to understanding how financial structures and policies led up to the crisis itself. A whiteboard animation will be used to simplify the storytelling of this process. We will also use portions of participant interviews to piece together this brief explanation by asking a control question in every interview such as: how do you believe the financial crisis was caused? This section will utilize scholarly interviews to essentially bring the viewer up to speed.

The second act will be the introduction to the story lines. The main purpose of this section is to identify who was affected by the financial crisis. Creative interlacing between categorical

elements of policy, business, citizenship and education will string together interviews with legislators, educators, business operators, authors, and “disaffected” individuals to hedge tension between conflicting interests of said parties. We will vary the emotional message conveyed through each story in order to bring the viewer through several emotional arcs. For instance, we will identify a person who has been devastated by the outcomes of the financial crisis juxtaposed to an entrepreneur who has survived in the fragile financial landscape, both of which will provide a separate element of emotion vital to the story behind the crisis. Our goal in act two is to identify subjects from each category to present the emotional impact the crisis has had on the wide spectrum of individuals and organizations.

To segue into the third act we will explore what the aforementioned individuals are doing as a result of the financial crisis and the changes that have taken place in their lives. Likely, the documentary will include the American who has lost their home is in search of a new job and trying to keep a roof over their head. However, we also hope to find the entrepreneur may have found ways to prosper, innovate, and inspire. This act will personalize these situations and help viewers conceptualize meaningful insights into potential solutions to the systemic problems we face. It is our desire that the individuals viewing the film come out of it with an increased knowledge of the situation at hand, but more importantly to inspire viewers to actively engage the financial environment.

We understand that the content structure in documentary filmmaking is often created by organic means. Therefore, this three-act structure will only be used as a model or guide in the filmmaking process. As stories develop it is necessary to adapt as unforeseen stories and ideas unfold. To account for this we believe the act structure may also be modeled through the control questions we ask our interviewees. To contextualize our human interest stories, we will also approach a range of policy experts to link the financial environment to the human element. It is crucial to keep in mind that the content structure will be a continually evolving process throughout all phases of the film.

## **Filming Process**

We expect to travel locally for this documentary and it is important for us to determine parameters for personnel and equipment as an integral part of the pre-production phase of the project. There are four of us involved in producing this documentary, we feel it is possible and necessary to have all members available for each shoot. We want to provide equal opportunity for crew members to travel to various locations and plan to travel locally to complete the interviews during production. We will always be mindful that the following four roles are covered on each shoot:

- Director/Director of Photography (Will, Pete)
- Sound/Script Supervisor (Johnny)
- Producer/Runner (Will, Johnny)
- Interviewer (Johnny, Will , Pete)

We were able to purchase two Panasonic AG-AF100 cameras. We have budgeted \$9,590 for the purchase of these two cameras. Through extensive research we have come to the conclusion that this camera offers the highest quality image combined with the most significant value to suit our project. We believe the purchase is necessary to create dynamic interviews from multiple visual angles, which in turn will help facilitate editing. The use of two cameras will also allow us to maximize the footage we can capture in different locations. Three Panasonic lenses (7 -14mm, 14-45mm, 14-140mm) have also been allocated to the budget at a total of \$2,012. The three lenses will provide varying visual perspectives and will be interchangeable between cameras. We have chosen three lenses, a wide angle, medium length, and zoom, each of which will offer unique perspectives in keeping up with industry standards. The different lenses will offer varying depths of field that will add to the stylistic qualities we intend to capture. Additionally two specialty support rigs have been included. The cine-slider and shoulder mount will enable us to create the style we envision and are industry standard when producing documentaries. In attempt to avoid the “talking head” issue inherent in interview based documentaries, the cine-slider will allow us to create dynamic and engaging visuals. Additional production equipment for lighting

and audio collection has been allocated in the budget and can be referred to in Appendix B. It is our desire to create the most visually appealing content possible and avoid stagnant shot composition.

The production equipment will become property of the University of Denver to be used in future projects similar to this endeavor.

### **Post-production Process**

Post-production will be done at the University of Denver Film Media and Journalism Department. This will provide the project with adequate non-linear computer tools to complete compilation and editing. To utilize the schools facilities, we will work closely with Bob Yablans and Rodney Buxton to arrange proper access to equipment. This will also provide a centralized location for the group to work on the project. The editing process will be done as a group, but there will be two primary editors (Pete and Will) in an effort to keep a consistent flow and style throughout the work.

For the animation section of the introduction, we have chosen to approach the Digital Media Studies department in the hope they will be able to help create an animation. Rodney Buxton has been in touch with the Digital Media Studies department and we are hopeful that one of their students will want to help us out with this project.

Another aspect of the post-production process that we are addressing during the pre-production phase is the need for narration. We are hoping to capture most of our audio content during the interview process, but when we use custom graphics we will need to use narration for clarification. We have built voiceover talent into the budget and we feel it is important to hire someone who has experience and can add value to the film.

We have also budgeted for stock footage and news footage licensing, which we believe gives the film authenticity and historical context. Our vision is to create a historical video montage of news stories from the financial crisis at the beginning of the film, to give perspective

on the scope and complexity of the crisis. To do so, we will need to license the rights to news footage.

### **Marketing and Distribution Plan**

The following comprises the current marketing & distribution strategy for the independent documentary being produced by students of the University of Denver based on current available information regarding the scope, target market/audience and budget for the film. As mentioned in the introduction, the creative process inherent in producing a successful documentary film requires reasonable accommodation on the part of all parties to adjust marketing strategies on the fly. The end goal of our marketing and distribution plan is to reach as large and broad an audience as is appropriate, given the final product to achieve maximum social and financial return.

### **Target Audience**

We believe the target audience will be anyone who is interested in one of the greatest economic recessions to hit the United States. While the financial crisis has had a global impact, it has affected EVERYONE on some level in this country, from bottom to top and across different social categories. While we hope that the documentary has the potential to attract audiences with varied social backgrounds, we are envisioning an audience with a youthful edge, comprised of an intelligent, educated individuals.

As stated above, the target audience of the film may shift during production as the scope narrows. Initial information suggests both a primary and a secondary target audience. The primary target market is 18-34 year olds, 50/50 male-female split, college educated (either in progress or completed), and has an above-average disposable income. Based on the style and content we envision, this target audience is most adapt to connect with the film. We believe that our perspective on the financial collapse, viewed through student lens, is unique to the current landscape of films exploring the collapse and will be well received by our target market. The 25-

65 age range is our secondary market. This target market will overlap with and extend beyond our primary market. Other attributes including male-female split, education level and income will remain consistent.

### **Marketing Strategy**

The overarching strategy regarding the marketing of this film is to generate awareness of the film among all relevant target market groups, including but not limited to: University of Denver students, members of the Denver metro area business community, Colorado residents, business school students (undergraduate and graduate), and current and future professionals working in the areas of finance, banking, education, and public policy. We will provide opportunities for previously mentioned target market groups to engage with the film through the following means: film festivals, local screenings and events, broadcasts of the film through appropriate channels such as public television (PBS – Independent Lens, BBC), network television (NBC, CBS, FOX and ABC), cable television (HBO, Showtime, IFC, Sundance Channel, G4, Discovery, History, CNBC, MSNBC, etc) youth-oriented cable stations (MTV, Nick at Night), Internet/Social Media (Facebook, Twitter, MySpace, Living Social, Buzznet, Flixster, Focus.com, Linked-In, etc.), Getty Museum, and any and all academic environments. The group is also affiliated with The International Documentary Association and DocMovies.com, which offers help in various ways and assists in screenings and distribution.

### **Market Distribution Scope**

There are a number of other documentary films exploring the financial crisis, most notably Academy Award nominated filmmaker Charles Ferguson's "Inside Job." Produced for approximately US \$2M, "Inside Job" has been viewed by nearly 350,000 people and has a domestic gross of over US \$3.1M. Overall, the market for independent documentaries has been saturated as rapid technological advances have made it possible for anyone to produce a documentary, thereby lowering traditional barriers to entry. The majority of independent

documentaries cater to niche markets, increasing the ability to selectively message the target audience; the disadvantage being the concurrent limiting of the target market size as well as the dissemination of important information. This film is needed because the existing documentaries we have researched surrounding the financial crisis are centered on Wall Street, greed, and government policy, but ignore the human element. We hope to provide refreshing, new perspectives through real people with varied experiences and backgrounds.

### **Film Festivals**

Entering the finished film into competitive film festivals, both national and international, is a key component of this marketing plan. Success at film festivals has the potential to significantly raise the awareness and profile for this independent documentary film. A list of target film festivals with pertinent information (timing, costs, etc) can be found in the appendices.

### **Social Media**

The social media strategic plan and according tactics will be developed in coming months as the scope and target audience of the film comes into sharper focus. However, we believe the possibilities are endless for reaching many viewers through social media. Innovative social media outlets will be utilized, including Twitter and Facebook. This will be an adaptive process, beginning during the pre-production phase and ending with the marketing and distribution phase.

### **Distribution**

There is no shortage of options and opportunities regarding distribution of the film. The probability of securing wide theatrical release for this film is low, negating the need to focus on leasing (the distributor agrees to pay a fixed amount for the rights to distribute the film) or profit-sharing situations (the distributor gets a percentage, typically anywhere from 10 to 50 percent, of the net profits made from the movie). The more likely scenario is one that combines grass roots physical and digital distribution planning. The traditional distribution method is through physical

distribution. Physical distribution includes contacting libraries, universities, business networks and other interested groups to secure contacts. A physical DVD would then be sent to each contact as a demo copy. Digital distribution is an attractive addition to, or possibly substitution for, a traditional physical distribution plan because, after an upfront investment of labor for setup, technology can be leveraged to minimize additional labor costs. Through a basic digital distribution plan, we can make the film available for instant download, and available from the online vendors like iTunes, Amazon.com, and Netflix.

## **Conclusion**

The financial crisis is a multi-faceted problem, with many different angles, and as filmmakers we are trying to pursue what we think will be interesting for our audience. The framework we have set forward will help keep us focused and on-track with our overall goals. We feel that we have done a good amount of research on the financial crisis, and that we are now ready to make major strides on this project. While there are already several books and movies out there about the financial crisis, we feel that ours has a unique value in that it is grounded in the humanistic element of how people were affected. Surely, we will be looking at many of the systemic issues that caused the financial crisis and continue to threaten our economic system, but we believe it's important to tell the story of how people and businesses have dealt with the downturn.

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