Introduction

"Death to Hollywood" – J. M. Keynes

Before the twentieth century, few Europeans judged the cultural production of the United States to be of global significance. The British essayist Sydney Smith voiced this consensus when in 1820 he posed his famous question: "In the four quarters of the globe, who reads an American book? or goes to an American play? or looks at an American picture or statue?"[1] Even Alexis de Tocqueville, who admired Americans for their indomitable energy and spirit of voluntarism in civic life, concluded that the literary production of the entire United States could hardly measure up to that of European cities of medium size and stature.

With the rise of the culture industry in the twentieth century, such serene faith in the perpetual marginality of U.S. culture was severely shaken. The United States soon dominated the most influential cultural institutions of the epoch, first overcoming the French lead in cinema and then conquering the international trade in television. Such a momentous shift in cultural power filled European elites with fear and revulsion, a hostility directed at what were often described as barbarous upstarts who threatened the very space necessary for the survival of national traditions.

In describing the impact of the U.S. culture industry, the political and intellectual authorities employed language laden with the metaphors of disease and of military conquest, as "contagion" and "invasion" became the operative words in their ideological riposte. In testimony before Parliament in the 1950s, Lord Reith, the former director-general of the BBC, compared the prospect of American-style commercial television to the introduction of bubonic plague in the fourteenth century, and in 1931 the French writer Charles Pomaret had declared that: "The conquest of Europe has advanced and the little outposts of the American invasion have already been installed

at the gates of France, Italy, Germany, and all the nations of the Old World."[2] Britain's *World Film News* (November 1937) judged that

> The American drive to obliterate every vestige of a native British film industry is succeeding admirably. Cynics are comparing the situation with the Italian conquest of Abyssinia, and there are indeed certain resemblances. The Americans, with their impressive supply of Hollywood pictures, have the necessary tank power to put native exhibitors at their mercy. They are using it remorselessly.[3]

The loss of national control over popular culture seemed particularly subversive of the traditional authority of religious, educational, and political institutions in reproducing the customs and moral codes of European societies. To the consternation of many, the British film-industry paper *Bioscope* (1919) boldly proclaimed cinema the church's "legitimate competitor in moulding the character of the nation," and in a report of 28 July 1924, Julien Luchaire, director of the International Institute of Intellectual Cooperation of the League of Nations, testified to the "striking fact that only the Bible and the Koran have an indisputably larger circulation than that of the latest film from Los Angeles. . . . Today the lower classes derive from the cinema show . . . a large part of the emotions and thoughts which make up their mental life." Even so implacable a foe of U.S. imperialism as Joseph Stalin later admitted his handicap in not possessing this pervasive a force for shaping modern life. "If I could control the medium of the American motion picture," he once declared, "I would need nothing else to convert the entire world to Communism."[4]

Throughout the twentieth century, European governments, as well as cultural and religious institutions, have erected an array of organizations and policies designed to protect their national cultures from the vast tidal wave of Hollywood production in cinema and television. In the second half of the 1920s, most major European countries imposed a panoply of quotas and managed trade in film imports, and in the postwar period a virtual commercial-free zone of public television from the Atlantic to the Urals was set into place – a not-so-veiled repudiation of the U.S. model of broadcasting and the continental experiments in sponsored programming during the interwar years.

This book explores the clash between U.S. and European societies in the politics of culture by focusing on cinema as the dominant medium during the first half of the twentieth century. It builds upon a diverse body of scholarship on cinema and the state for this period, including the transnational approaches of Ian Jarvie, Kristin Thompson, Ruth Vasey, H. Mark Glancy, K. R. M. Short, Pierre Sorlin, René Bonnell, Thomas Guback, Heide Fehr-

enbach, Thomas Saunders, Sarah Street, Margaret Dickinson, Manjunath Pendakur, and Victoria DeGrazia.[5] Part I of the present work tries to establish the aims of the U.S. film industry in conquering overseas markets and spreading American values, with special focus on the relations between the main trade organization, the Motion Picture Producers and Distributors of America (MPPDA), and its critics at home and abroad. The role of U.S.-based crusaders against Hollywood is seen as critical in shaping the MPPDA's overseas campaigns, and fears of impending economic sanctions conditioned capitulation to their demands. For all its pious talk of elevating cinematic art and ensuring high moral standards, the MPPDA, through its Production Code Administration (PCA), saved the studios enormous costs by vetting scripts and preventing the shooting of scenes that would have run afoul of censorship boards around the globe. As a source for the dislocations of modernity, Hollywood would have inevitably generated opposition; but it was also the sole hegemonic institution in U.S. society to be under non-WASP (White Anglo-Saxon Protestant) control, which created a potential for dangerously volatile ideological interventions. The Jewish leaders of the industry found themselves caught between the scissors of domestic opponents, who castigated them for insufficient display of American patriotism, and foreign enemies who loathed them for trumpeting the superiority of American civilization.

Despite pockets of cultural resistance in the interwar State Department, Washington chose to run overseas interference for the film industry on the grounds that "trade follows the film." In an age of protectionism that included advancing quarantine against Hollywood in the heartlands of Nazism and Bolshevism, the U.S. government gave its film industry an ample boost of support. After World War II, the U.S. State Department pursued broader policy aims in Western Europe and soon found itself in increasing conflict with the demands of the later renamed MPEAA (Motion Picture Export Association of America), a story that illuminates the relationship of the state to powerful corporate interests. The MPPDA – which sometimes treated the interwar State and Commerce departments as messenger boys, in New Dealer Josephus Daniels's inimitable phrase – now faced a government apparatus seeking greater autonomy from corporate interest groups. Retaining the goal of expanding U.S. film industry dominance abroad, the State Department shifted its tactics. It would no longer directly represent the film industry in negotiations with foreign regimes.

The chapters focusing on Great Britain, Belgium, and France (Parts II–III) take up the attempt of European governments to establish the defense of national culture, a task rendered precarious by the enormous popular

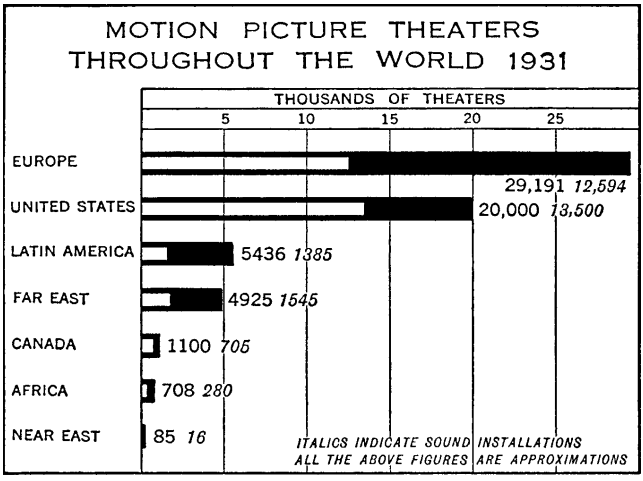
appeal of Hollywood entertainment. (In a forthcoming book, this problem will also be seen through the lens of empire, in the vision of many elites who saw Hollywood as colonizing Europe and decolonizing Europe's vast imperial order.)

The rise of alternative national film industries is explored, as well as their stormy relationship with pressure groups dedicated to thwarting hedonistic excess and depravity in film. Exhorted by an encyclical of Pope Pius XI to imitate the U.S. Catholic Legion of Decency in resisting Hollywood, European Catholicism tried to alter the U.S. film industry's impact on the continent's varied cultures, though it soon proved a greater irritant to representatives of alternative cinematic traditions.

The narrative seeks to shed light on four major questions that intersect with social, cultural, and cinema history: (1) the politics of state intervention and organization of the cinema industry; (2) industrial versus artisanal film production; (3) film and imperialism; and (4) the international role of religion in film regulation.

Politics of State Intervention and Organization of the Cinema Industry. In conquering the world cinema market, the U.S. industry created vertically integrated enterprises of production, distribution, and exhibition, as well as oligopoly conditions in its national market. In the 1920s, the major film moguls accepted the need to surrender some autonomy in favor of a corporatist leadership of the industry, capable of moderating intra-industry disputes, winning over sometimes suspicious publics, and conducting foreign policy in cooperation with the U.S. government. The U.S. State Department, as overseas negotiator for the film industry, and the U.S. Commerce Department, in carrying out annual market research and relaying business intelligence, gave the corporatist leadership important assistance in consolidating Hollywood's global supremacy [Fig. 1].

In Europe of the early interwar period, by contrast, most national film industries produced acute fissures among production, distribution, and exhibition, the last sector typically favoring heavy importation of cheap and profitable U.S. movies. Britain, France, Germany, and Italy all imposed production quotas in the 1920s, despite determined exhibitor opposition. Only Belgium, with a tiny production sector, generally retained a liberal market, a victory for its exhibitors, who also succeeded in keeping special cinema taxes at comparatively mild levels. Aside from support of documentary filmmakers, Belgium did not rally substantial state resources for feature production until as late as 1963. A liberal import policy also held sway throughout the postwar epoch.



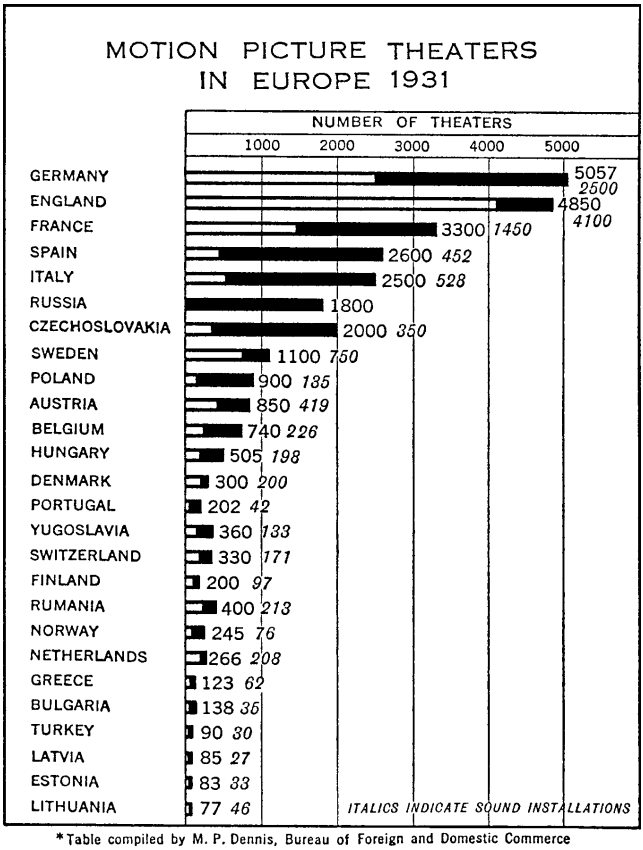


FIGURE 1. Charts prepared by the U.S. Department of Commerce on the distribution of motion picture theaters throughout the world. As can be seen, many European nations were slow in converting to sound. The Department of Commerce regularly provided valuable market research for the U.S. film industry.

Theorists of state intervention on behalf of cinema have categorized government policies as restrictive, supportive, or comprehensive.[6] (*Restrictive* refers to the establishment of market barriers such as quotas; *supportive,* to direct state aid; and *comprehensive,* to a policy with both restrictive and supportive features.) For the interwar period, Britain and France practiced a mildly restrictive policy via quotas but eschewed supportive legislation, whether direct aid, subsidies, or credit schemes such as Germany's film bank. In France, with an industry comprising myriad small, often ephemeral firms, the government frequently watered down its restrictive policy. For instance in 1936, those conducting Franco–U.S. trade negotiations scuttled local production interests in favor of U.S. concessions toward the champagne industry. The absence of true corporatist integration left the film industry at the mercy of a capricious state. The French state in the interwar period, for example, lodged film policy in three different ministries, occasionally making of it a jumble. It took the Vichy regime to impose state integration of the film industry and France's first comprehensive policy, a combination of restrictive and supportive measures that were later repackaged in the postwar period under more salubrious democratic auspices.

In Britain of the late 1930s and 1940s, J. Arthur Rank moved to attain vertical integration and promotion of the national film interest; but after a brief run of glory, his operation sputtered, hurt in a crucial historical showdown by the failure to achieve state and capitalist cooperation. Though the British state imposed the rudiments of a comprehensive policy after the industry's near collapse in the late 1940s, Rank often chose to forsake aid, bitter at a meddling state that had imposed on his cinemas some of the highest special taxes in all Europe.

British film policy was conducted mainly by the Board of Trade and the Foreign Office. For a short phase of the 1920s, the Department of Overseas Trade (DOT) sought to harmonize policy between these two bodies, but it was an experiment quickly abandoned. After briefly exploring Britain's DOT as a means of improving State and Commerce department cooperation, U.S. Secretary of Commerce Herbert Hoover rejected such a model.

Finally, the U.S. example serves as a concrete historical case study that raises serious questions about the leading social-science theories on power and the nature of the capitalist state. In the 1970s, British Marxist Ralph Miliband and his Parisian rival Nicos Poulantzas argued, respectively, that capitalist interests had either an instrumentalist or a structuralist relationship to the state.[7] *Instrumentalists* asserted that the capitalist class exercised direct control over the state; *structuralists* countered that the state required relative autonomy, necessary for mediating conflicting interests and resolv-

ing crises that would otherwise threaten the long-term survival of capitalism. Although these competing theories are vastly simplified here, the historical approach in this book suggests that theoreticians of power may need to break from such essentialist constructs. In the case of film politics, the interwar MPPDA and U.S. State Department interacted in a fashion much closer to the instrumentalist model; but in the postwar period, John McCloy, John Foster Dulles, and others made a strong case that the U.S. State Department could best achieve the long-term interests of the film industry and other capitalists by amplifying structural autonomy.[8] Instrumentalism or structuralism may work better depending on the specific historical conjuncture in state–capitalist relations. Each concept may also vary by national context: France's state technocrats typically exercise bureaucratic rationality with a greater autonomy from capitalist interests than, for example, the Commerce Department of Calvin Coolidge–era America. There is a need, in short, to apply these concepts with greater historical specificity, rather than viewing either structuralism or instrumentalism as a quality intrinsic to the entire history of the state under capitalism.

Industrial versus Artisanal Film Production. Interwar Germany's UFA, Britain's J. Arthur Rank, and, to a lesser extent, Alexander Korda sought large-scale organization as a means of competing with Hollywood. As the standard-bearer of the movement for Film Europa during the 1920s, UFA carried the hopes of those seeking a European Goliath to rival Film America. UFA conquered much of the Germanic market, but the national market was often not big enough to amortize its line of high-budget productions (*Grossfilme*) and even medium-budget ones. It has been estimated that only one in six of its *Grossfilme* productions between 1924 and 1930 made international profits and, meanwhile, 75 percent of German films by 1927 had to turn to U.S. sources for their financing.[9] UFA's own financial instability in the mid-1920s led it to borrow profusely from U.S. giants Paramount and MGM, firms that demanded in exchange half of UFA's theater slots in its German exhibition sector. While the U.S. films basked in glory in Berlin's first-run theaters, UFA productions were exiled to the cinemas of Yorkville, a predominantly German sector of New York City.[10] In any case, the emergence of the talking picture rendered hopes for a Film Europa ever more precarious. The U.S. arts critic Gilbert Seldes expressed the yearning that Europe would continue to develop the art of the silent film while Hollywood mastered the talking picture; but the possibilities of a dual cinema market disappeared. Even though Nazism later sought to purge the morbid and macabre themes of Weimar cinema, German film since the days of *Das*

Cabinet des Dr. Caligari (*The Cabinet of Dr. Caligari*, 1920) and *Nosferatu* (1922) had trouble shaking its sinister image, one in which a critic complained: "It has the odor of tainted food. It leaves a taste of cinders in the mouth."[11] There is now a vast body of scholarship on UFA, and my work takes up only the postwar breakup of this cartel, which remains a major issue of contention for critics of U.S. cultural imperialism.[12]

Rank's and Korda's own talk of a Hollywood-on-the-Thames sometimes elicted a negative response from partisans of John Grierson, who favored the small producer, the lone artisan bent on escaping the machinery of the industrial cultural Goliaths. While Grierson himself thought the documentary filmmaker could construct only a small alternative island in the vast Hollywood sea, France spawned a large cohort of artisanal feature film producers who sought a commanding share of the national market. They championed the cinematic atelier as more hospitable than industrialized studios to great art. Their celebration of the artisan and French national genius led to an ideological formation that in this book is called *artisanal populism,* a major rallying point for opponents of Hollywood universalism. The artisanal organizing principle in interwar France succeeded in creating several outstanding works of cinema, but it came at a cost: low capital investment, frequent boom-and-bust cycles, and a feeble international distribution network. The French state in the postwar period sought to remedy these defects and, though never able to dislodge Hollywood, generally secured the most consistent share of the national market of any European nation. Though Belgium produced several outstanding documentarists, as well as artists whose careers flourished in other European nations, its miniature national market and absence of restrictive policy consigned small producers to a single-digit share of screen time throughout the twentieth century.

The U.S. film industry is sometimes described as a triumph of the Fordist model of production over artisans and cottage industry. The automobile-industry metaphors have a compelling quality insofar as France had the world's leading film and auto industries prior to World War I and then rapidly surrendered global supremacy to the United States in these fields. Nevertheless, as the literary scholar Kristin Ross is at pains to point out, the concept of Fordism implies a rationalization of production, the triumph of Taylorism, and the notion that workers would have enough income to consume the costly product they were manufacturing. The film industry did not have the same direct consumerist agenda in paying most of its work force. Moreover, while millions of French people regularly watched U.S. films, few owned U.S. automobiles.[13] This could be another way of saying that Hollywood developed a full-fledged program of globalization well before many other industries [Fig. 2]. As Alan Wood explained it in 1952:

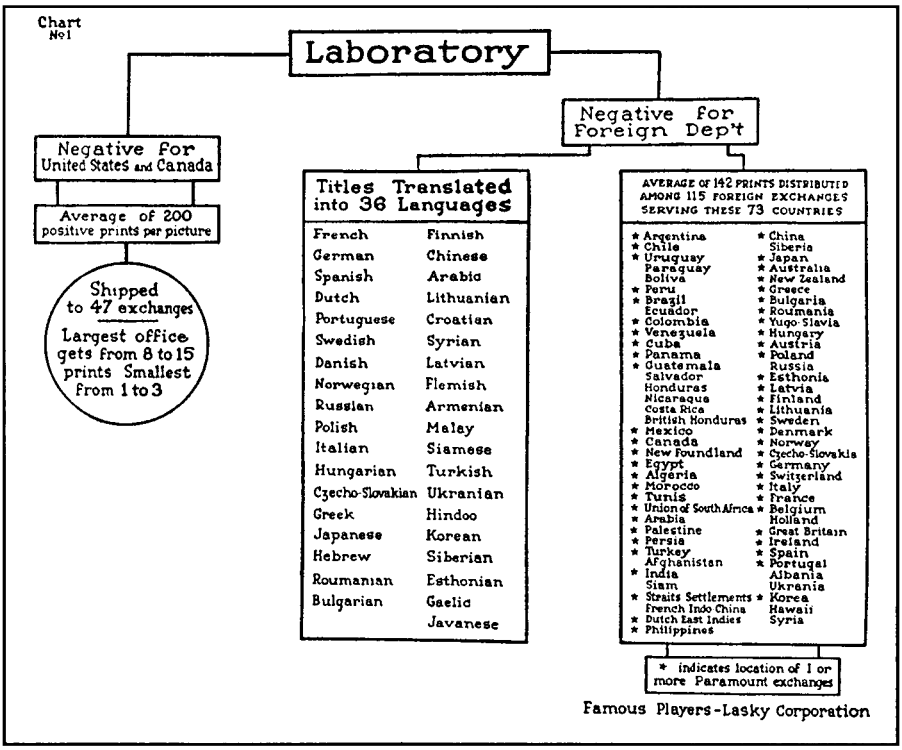


FIGURE 2. A chart from the early 1930s showing the global marketing strategies of Famous Players–Lasky Corporation, better known by the trade name of Paramount Pictures.

[A]ny attempt to break Hollywood's monopoly would be a grim fight indeed, owing to a peculiarity of film economics: *it is the only industry where increasing the geographical extent of the market does not increase the demand for the product*. The requirement of a small town like Reading [U.K.], for instance, can be met by 400 films a year. Open new cinemas in Iceland and the South Sea Islands, and you will still only need 400 films a year. And Hollywood was quite prepared to make every one of the 400 films itself.[14]

Hollywood's integration of production, distribution, and exhibition proved to be an asset to its global triumph, but it lost this advantage in the postwar period. Some European media conglomerates of the 1990s have actually achieved integration of these sectors, yet it has not been enough to turn the tide against the domination of U.S. film productions. Industrial organization remains an important component of Hollywood's preeminence, but message still matters, despite the cultural protestation that the product is vapid.

Film and Imperialism. The extraordinary scope of British imperialism in the eighteenth and nineteenth centuries paved the way for U.S. cultural domination in the twentieth: The global size of the English-language market has been a distinct advantage to Hollywood.[15] One of the major schools of thought on U.S. popular culture, influential in UNESCO and state ministries of culture, is that of cultural imperialism. Curiously most historical and social-science literature bathed in the concept give scant exploration of U.S. popular culture and the classical phase of modern imperialism, the European empires. Although, as mentioned earlier, this book will be followed by a companion volume that explores film and imperialism in much greater depth, a few brief preliminary observations are in order here.

While European intellectual and political elites feared film's effects on the metropolis, on the masses who had only recently gained the right to vote, they were especially alarmed about cinema's deleterious moral lessons for "the child-like natives," who seemed increasingly prone to disobedience toward the colonial authorities. Film became a major culprit in the rise of anticolonialism, according to the imperial imagination of interwar Europe.

There is a massive literature on the purported "effects" of film on the "mass mind," a social-science tradition that has its origins in studies of World War I propaganda and in the project of the Motion Picture Research Council, founded by the Protestant cleric William Harrison Short. Much of it holds that the "masses" can easily be manipulated by popular culture. In the case of imperialism, however, Hollywood's subsequent efforts to glorify the British Empire throughout the 1930s inadvertently ended up fanning the flames of Indian unrest, whereas Belgium's decision in 1945 to ban Hollywood productions for Congolese viewers failed to prevent the rise of violent anticolonial struggle. Although Hollywood film does have "effects" on audiences, it surely is never as simple as the cultural Cassandras would have it. Film becomes a scapegoat absolving nations from the righteous indignation that confronts regimes of social injustice.

Recognizing such imperialist discourse as self-serving, economic liberals are quick to advance demands for free trade in cultural commodities. Swept up in strong belief in the universal mission of American ideals, the United States has not been a society particularly receptive to foreigners crying out for the preservation of their national culture. In *Men of Destiny* (1927), Walter Lippmann explained that:

> All the world thinks of the United States today as an empire, except the people of the United States. We shrink from the word "empire" and insist that it should not be used to describe the dominion we exercise from Alaska to the Philippines, from Cuba to Panama, and beyond. We feel there ought to be some other name for the civilizing work which we do so reluctantly in these backward countries.[16]