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Free trade as cultural threat: American film and TV exports in the post-war period¹

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Until comparatively recently, most discussion of the impact of American motion picture exports on Europe has been written by Europeans, using European sources, and controlled, inevitably, by European points of view.² Lacking has been the view from the United States, using its primary sources and taking account of its points of view.³ This paper moves in that direction, dealing with a period that is relatively well-documented, while gesturing towards the understanding of what was to come, and acknowledging that trying to pin down American points of view is no straightforward matter.

Another feature of the discussion has been more stable: it was produced largely by and for members of various elites. Intellectual, business and political elites were talking among themselves, patronising the masses at whom mass media are primarily directed. No doubt this is inevitable, since it is one function of the classes in question to articulate social concerns, hence to claim to think for others. Everyone agrees that it is hard to find the voice of the mass audience in box-office figures, preview lobby cards, Nielsen ratings, focus groups, direct observation, questionnaires, letters to the press, and such like. Intriguingly, however, the intellectual elite displays little concern with its own partiality.

Unlike those articulate elites who acted as voices of the political *status quo*, the tradition in film studies has always been enriched by an element of oppositionalism. The political persuasion of many influential writers on film was radical. The effort to legitimate film as a fine art, however, drove them to adopt the elitist discourse of traditional aesthetics. The populist aspects of mass culture could scarcely be appreciated in such terms. These demotic materials were threatening to elites – even progressive ones – because they challenged the *status quo* which to elites – even progressive ones – overseas audiences saw displayed in American movies, values and attitudes they took to be subversive of local custom and political arrangement. American films were marked by an aggressive egalitarianism in dress, speech, action, relations between the sexes, and access to the basic necessities of the good life, as well as by an attitude implicit in their mode of address to the audience that they were out to please. This was and continues to be part of their attraction and of their threat.⁴

I Historical background

Kristin Thompson has provided us with the nearest thing to a definitive account of the emergence of the United States film industry as a leading exporter.⁵ Primarily, this was an effect of the First World War, which disrupted production in the then leading exporting countries of Germany and France, as well as affecting the transportation and communications upon which international commerce relied. The United States film industry, alone among major film exporters, experienced no disruption of production and was, from its base in a neutral country (until 1917), able to navigate the hazards confronting international commerce more freely than the industries of the belligerents. With the return of peace United States film exports might have been expected to retrench as its business rivals reconstructed. Both the French and the German film industries did rebuild after the war and sought out export markets, especially in Europe.⁶ Despite these efforts, in the eight years between the Armistice and the introduction of sound, American pre-eminence in the film export trade was not usurped.

By the mid-1920s the Germans and French had established schemes to promote and subsidise their own films and had enacted discriminatory measures directed against American imports. The British followed suit in legislation of 1927. These were not merely the disgruntled reactions of former market leaders. State Department files report European feeling that there was something contingent, even unnatural, about American export success. This comes through in the praise lavished on domestic films while discussing measures to protect them from competition or to give incentives to production.

Those who, in the 1920s, hoped that Germany or France could resume their pre-war place in the international trade in films were comforted by the thought that Hollywood's domination was neither natural nor inevitable. Various kinds of European co-production and consortia challenged American domination, sometimes including Britain.

Why did the challenges fail to dislodge American dominance? Was the world export success of the United States film industry simply opportunistic and contingent in the first place, and an exercise in hegemonic power afterwards?

Two obvious considerations first. The United States, the biggest and most developed movie market, had of necessity become self-sufficient during the First World War. This has changed little in seventy years. The separate issue of whether the American market is closed to imports will come up later. The other consideration also crystallised during the First World War, namely the marketing attraction of the movie star. By 1918 the economic importance of American stars was apparent not only in the immense salaries paid to those at the top of the system, but by the way four of them discussed founding their own company, United Artists, and three of them eventually did so (William S. Hart thought better of it).⁷

Equally important, and stressed by Thompson as relevant both at home and abroad, was the consolidation of power in the mechanism of distribution. Distribution had emerged as the locus of power in the United States film industry, which attempted to reorganise the export market on the same principle. Films were no longer sold, nor were they entrusted to foreign agents. United States distributors sought to set an exclusive arrangements for their films to be looked after

by local subsidiaries of the home firm. This ensured that American films got the same special promotion and attention as they received at home; marketing could exploit the glamorous images of stars, location and production values, and insinuate these as qualities the best films ought to have. Local films could seldom match these qualities.

The uncertainties surrounding the advent of sound were a potential threat to American hegemony. Would the rest of the world follow the United States in converting to sound? Would the star system not now favour those who spoke in local languages and accents? Would foreign films not seem much more 'foreign'?

If any answer is to be ventured to these questions it has, I believe, to focus on distribution. The self-sufficient American market was in the hands of a small number of integrated firms fully confident of finding formulas and mixtures to keep the turnstiles clicking.⁸ Many films were guaranteed distribution before they were completed. The industry invested heavily in public relations and in publicity for particular films, selling the mixtures, formulas, stars and company images to the public as guarantees of satisfying entertainment. Only in rare circumstances did investing in the selling of a foreign film, or in its extensive distribution, offer advantages. During and immediately after the Second World War some effort was made widely to distribute selected British films. The overall results were disappointing.⁹

II The situation at the end of the Second World War

The Second World War further strengthened the export position of the American industry, film production having proceeded without interruption (although in smaller aggregate) or significant loss of the qualities which worldwide audiences had come to expect – production values, locations and, especially, stars. Despite being driven by war conditions from many European and Asian markets, American film-making remained profitable and was poised at war's end with a backlog of films to release to liberated countries.

The American industry began planning in the middle of the war for the campaign it would mount to recoup its lost markets. The hope was not just to regain what had been lost to Fascism and occupation, but also to roll back the unsatisfactory pre-war situation in friendly countries. An all-out effort was planned to dismantle all pre-war restrictions. United States industry spokesmen claimed that foreign films were free to compete for time on American screens, and occasionally achieved success. The fact that integrated production and distribution companies made almost enough product to fill the nation's theatres, and that they operated *de facto* as an impenetrable oligopoly, was fudged. Or, to be more precise, the operations of that oligopoly were justified as the exercise of entrepreneurial knowledge of what would and what would not sell with the American audience.¹⁰ Europeans wondered whether it was less a matter of what would sell and more a matter of what the integrated companies would try to sell. To test this would involve taking control of their own distribution in the United States. Most foreign firms could not afford this.

Commerce and of State, had been co-operating with the organised motion picture industry for twenty years, and saw it as their obligation to advise and help with the post-war export campaign. A major achievement was the circular letter, 'American Motion Pictures in the Post-War World', sent by A.A. Berle, Assistant Secretary of State, to all diplomatic posts on 22 February 1944.¹¹ This document, developed after discussion 'for some time past' with the Motion Picture Producers' and Distributors' Association (MPPDA), directed diplomatic officers to bear in mind the importance of the film industry for the economic, intellectual and advertising welfare of the United States. Officers were to report efforts of foreign governments to restrict or burden US motion pictures; to give feedback on what type of pictures attracted audiences in places they were posted; and to make suggestions at their discretion. The stated overall aim was 'the unrestricted distribution of American motion pictures abroad, especially in the post-war period'. The dominant partner among the western allies had bold aims.

Film personnel were favourably placed in the United States armed forces, including General Marshall's military secretary (later secretary to the General Staff), Frank McCarthy, eventually a Motion Picture Export Association officer in Paris and a 20th Century-Fox producer. There is clear evidence in the files that these men monitored US industry interests.¹²

Yet the industry was thwarted in its wider aims, not just by the newly established governments of the formerly occupied countries, but by other United States officials who advanced two clear reasons to constrain American film exports. One was that, in its devastated condition, Europe could ill afford the dollars for film remittances. This argument from currency shortage would persist into the 1960s.¹³ Second, some State Department officials, and some of the military officers concerned with de-Nazifying Germany and other places, held that much Hollywood output depicted the United States in a light that would not impress Europeans favourably, and projected values different from those that the United States and its allies believed should inform reconstruction of Europe and prosecution of the Cold War. Thus there was no question of permitting Marshall Aid monies to be used to import more American films. Only if Marshall Aid and other factors stimulated economic development would Europe be able to afford more film imports. When the International Media Guaranty scheme was introduced, films seeking compensation were vetted within the European Co-operation Administration bureaucracy.¹⁴

In this last argument we find ideological and cultural considerations foregrounded for the first time. Present notions of 'culture' were not common in American official documents of the time. 'Culture' was mostly used in reports on the positions of European officials, and was regularly decoded as a subterfuge for protectionism. This makes a lot of sense.¹⁵ Most European government measures concerning motion picture imports were overtly discriminatory: carefully designed to target American films, rarely other foreign films. There was clear intent to burden the American product, seen as the greatest threat to any indigenous industry.¹⁶

Weaknesses in the thinking of British governing elites were exposed by the seven-month MPEAA (Motion Picture Export Association of America) boycott on shipping new films to the United Kingdom in 1947–8: they tended to over-

simplify opinion in American official circles and to underestimate the political influence of the American film industry. British official assessments of their own industry's strengths and the likely reactions of the parties proved unfounded, and Ernest Bevin had personally to mediate for the sake of larger foreign policy considerations.¹⁷ Yet in the settlement the United States film industry had to settle for an ad hoc bilateral arrangement that acknowledged the right of the importing country to enact such measures. To this day the organised American film industry longs for an international trade regime that would make such discrimination illegal.

III GATT

Part of American grand strategy for economic reconstruction of the post-war world was the idea of a General Agreement on Tariffs and Trade (GATT) and an International Trade Organisation (ITO) that would create a new legal framework for trade, under which the contracting parties would commit themselves to phasing out discrimination towards co-signatory nations, and engage in a series of tariff-cutting measures with the aims of boosting levels of world trade, thus creating a complex global interdependency. Such an international trade regime would be a legal instrument for fostering concrete interests in peace – commerce flourishing best in peaceful conditions.

During negotiations at Geneva and Havana the United States conceded that cinematographic films were a special case that could not be left to the general provisions of the Agreement. Failing agreement on total free trade in films, attention was turned to simplifying the many protectionist schemes proposed or implemented by different member nations attending the conferences. The United States film industry saw interim advantage in such simplification and unification of the market. Britain was in many ways a crucial case, being one of the victor nations and also the largest export market for American films. It was thought by American officials that Britain's decision would have great symbolic effect for other nations. The British operated both a screen quota and a distributors' ('renters' in British film industry parlance) quota. With some persuasion they eventually decided they could accomplish all goals with only a screen quota. Screen quotas were enshrined in Article IV of the GATT as the sole legal constraint on international trade in films. Tariffs, distribution quotas, contingents, visas, import licences and other pre-war measures were disallowed. The record of the GATT talks at Geneva reveals clearly that the United States wanted a free trade regime, despite the economic giantism of its film industry. Other countries were hoping to place a cordon sanitaire around movies as part of national culture, not subject to all the provisions of tariff-cutting towards free trade. No country represented at the GATT talks agreed with the United States position (most wanted to tighten their pre-war regimes), yet by conceding that quotas rather than tariffs were the only legal regime, they isolated the film trade. Quota-imposing countries thus placed themselves in a vulnerable position: forced to negotiate bilaterally with the main exporter, the United States, over a single trade item, with the MPEAA able to get the

time when the quota-imposing country was likely to be deeply dependent on United States economic and political support.

In 1947 and 1948 there may have been the will to appease the United States at Geneva, or there may have been shrewd awareness that the concessions to the US position over the GATT article on films by no means exhausted the possibilities for discrimination, provided the emphasis was shifted from overt measures against American films to measures in favour of domestic films. Subsequent to the signing of the GATT, in all the film-producing countries of western Europe, various kinds of what the GATT literature now calls 'non-border' discriminatory measures were devised and implemented. The United Kingdom had its Eady levy and National Film Finance Corporation; other countries their prizes, incentives, tax breaks and other forms of favourable treatment that constituted domestic measures not subject to the GATT obligation of 'national' treatment of imports, since they were not directed at imports. Thus did the Europeans succeed in protecting their industries using non-border measures. Unlike the alleged closed-market situation in the United States, these protectionist measures were state actions and subject to government-to-government protest as well as to direct MPEAA lobbying. Where popular and creative film industries revived under such protection sooner or later their ambition turned towards the supposed rewards of the American market.

The British film industry, for example, suffered through the ambitions of Korda and Rank, both of whom copied the American strategy by buying into the American industry: Korda into United Artists, Rank into Universal. Neither purchase was into a fully integrated company, so results were meagre. Furthermore, British production costs inflated staggeringly in the full-employment conditions of the post-war period, so that many British films could not possibly cover their costs at home, and became dependent on export success. Failure was thus catastrophic.

The Americans were by no means complacent. Industry representatives always took foreign challenges seriously, perhaps too seriously. Every foreign scheme was fought as though the health of the industry turned on it. Any argument that came to hand was used. J. Arthur Rank seemed to have the financial resources to mount a major challenge. The United States market glittered before European exporters. It was an illusion. Aside from being locked up by the integrated American majors, it was an insular market, fragmented in complex ways and inward-looking. Like other peoples, Americans took delight in seeing their own country on the screen, and seeing foreign locations through the imaginations and distortions of American film-makers. After the divorce decrees of the Paramount decision broke up the integrated majors after 1949 there was no change in this preference schedule. Change came only with the later restructuring of the audience and of the industry wrought by television. There was an asymmetry: non-Americans seeming far more ready to see films from exotic Hollywood than were Americans to see films from or about the old countries, especially if they were not in English.¹⁸ How was this parochialism to be overcome? Is it even now overcome?

Does not Europe still represent the exotic other to American normality? American strategies for marketing films (and now television programmes) are still largely oriented towards the American market, with the Webb-Pomeroy

Act, carried out by subsidiaries of the integrated producing-distributing companies, and focused on trade fairs in the United States and abroad, remain unchanged in 1995. Limited screening rights for packages of materials are negotiated for national markets, which revert to the copyright-owning firms. These firms monitor carefully the use of their properties and demand strict adherence to contracts, sanctioned by refusal of further supply. In many importing countries demand is more managed in television than in films because broadcasting systems are so often organs of the state. United States success in selling their product in such a managed market may be a measure of demand rather than of managed supply.¹⁹

In the fifty years since the GATT was negotiated, film and television issues have not made it beyond the agenda of the various 'rounds' of renegotiations (e.g. the Torquay round, the Kennedy round, the Dillon round, the Tokyo round). The United States holds firmly to the view that film and television screen quotas are a form of discrimination and aims to eliminate them by negotiation. Their case rests on paragraph 4 of Article III of the GATT, which prescribes that goods imported from signatory countries will be accorded so-called 'national' treatment, meaning that imported goods will be treated the same as domestic products. The 'special provisions for cinematographic films' are an obstacle to such national treatment.

Various devices have been used to regulate television programming imports, including broadcasting time quotas, which resemble screen quotas for films, and other non-border measures such as dubbing rules and state and private monopolies. In the final stages of the 1994 Uruguay round the United States, sensing a momentum to complete the round and further free up trade, pressed very hard on those countries that discriminate against American films, television programmes and popular music.²⁰ The Americans wanted the national treatment clause to cover even non-border measures, and the Article IV exception to be ended. Non-border measures are outside the scope of the GATT, but the United States wants them brought in, along with trade-related aspects of intellectual property (TRIPS). Keen though many nations were for a success, stubborn resistance and brinkmanship came from EC countries, especially France. Going on the offensive, France argued both that the American market was effectively closed to their films and television programming and that indigenous production was in the national cultural interest. In the event, film and television issues were taken off the table.

IV Is the American market closed?

Our market is totally open, absolutely free. There are no restrictions, no barriers, no quotas of any kind. What IS in our marketplace, however, is the most fierce kind of competition to win the eyes and ears of those who go [to] the cinema and/or watch TV.

Jack Valenti²¹

Before the Paramount case divorce decrees, the anti-Communist purge and the rise of television made the American film industry radically restructure itself in the early 1950s, the domestic market was organised to be self-sufficient and thus, effectively, closed.²² As restructured, the market for film became complicated and diverse, as is now also true of television. Whether this diverse film and television market is still closed needs to be addressed as several sub-questions. Is the market closed to other English-speaking product? Is the market closed to the product of foreign-language countries? Also, the market for films has to be distinguished from the market for television programming.

It is hard to be definite about the film market. Some foreign films, English-speaking or not, do get shown extensively in the United States, and not only in the art house ghetto; witness such diverse examples as the Hercules/Maciste films, spaghetti Westerns, Bruce Lee and other kung fu films, *Mad Max*, *Das Boot*, *La Cage aux folles*, *Nikita*, *Crocodile Dundee*. Complicating the picture, foreign directors and stars make films in the States and appear in co-productions shot abroad. The television market would appear more closed than the film market to foreign-language product than to English-language product. As far as I know, no foreign-language programmes appear in dubbed or sub-titled form on primetime network television. Programming imported from English-speaking countries is mostly found on independent stations and the Public Broadcasting System, where it is showcased as a quality alternative to mass-marketed shows. The situation is changing rapidly as industry restructuring increases diversity and may create windows of opportunity for foreign-language imports. Wholly foreign-language stations serving ethnic audiences, which import much of their programme material, have existed for some time. But of course the money to be made from these segments of the market is not such as to mollify those who complain about closure.

Was the closure of the film market for so long and the continuing closure of network primetime a matter of policy? It was certainly not a matter of government policy. There is plentiful evidence that both the State and Commerce Departments urged the majors, through the MPPDA, to see that reciprocity is good business practice. Extensive experiments with the distribution of British films in the 1940s represented a partial result. How government officials view imported television programming will be revealed only when the archives are opened.

Market closure also does not seem to have been a matter of industry policy, if by policy we mean a written or spoken agreement between the industry's firms to keep out foreign films. Self-sufficiency was not a result of some kind of cultural insularity. Its foundation was economic. Effectively forced to be self-sufficient in supply during the period of rapid growth of the industry during the First World War, it was hardly to be expected that the industry would voluntarily down-size itself afterwards. To distributors and exhibitors the key strategic consideration was to have a steady supply of reliable product. Once self-sufficiency was achieved only those imports likely to be super-profitable would be attractive. Since the popularity of all films is unknown until they are exhibited,²³ and since hits abroad may not be hits at home and vice versa, substituting imports would be a high-risk

distributed and why the American film industry had always dabbled in co-productions abroad as one way to diversify offerings while still having some flexibility in the management of supply.²⁴ From James Bond to Superman this seems to have been the way the market was opened up.²⁵

The remake phenomenon throws some light on both film and television. In the movies *3 Men and a Baby*, *Cousins* or *The Vanishing*, or in 'All in the Family', 'Absolutely Fabulous' and similar versions of British shows on American television, we see clear evidence that the Americans judge the European original to need modification to suit American tastes. We could argue endlessly as to whether there is any way to test this judgment. American executives think they understand the American market best. Dubbing or sub-titling is judged out of the question. More important, the informed guess of the responsible company officer is the last word. The fact that successful executives usually only have short strings of luck, like gamblers, may seem an irrationality of the system. But in an industry catering to an unknown and possibly fickle public, the one irrationality may be an unavoidable mirror of the other.²⁶

While not legally closed by state action, then, the American television market was and is very hard to break into because of self-sufficiency built up when other countries did not have much television. Changes in market structure presently unfolding might open it up.

V The question of cultural invasion

Why this EC quota? Its defenders, those who would build the siege wall, claim 'Our culture is at stake! Can this be true? Is a thousand, two thousand, years of an individual nation's culture to collapse because of the exhibition of American TV programs? Is the culture of any European country so flimsily anchored, so shakily rooted, that European viewers must be caged and blinded else their links with their honored and distinguished past suddenly vanish like an exploding star in the heavens?'²⁷

Jack Valenti²⁸

I drew attention above to how the rhetoric of cultural nationalism is usually deployed by members of elites, intellectuals, businessmen and politicians. Intellectuals are often suspicious of the discourse of businessmen and politicians; they might be encouraged to extend suspicion to their own discourse. The attraction of American demotic art is first of all the attraction of the demotic. Second, it is the job-threatening attraction of the foreign. The attractiveness of the demotic threatens the hegemony of cultural mandarins, from film critics to schoolteachers, and it also poses a threat to the political influence of intellectuals.

In *Hollywood's Overseas Campaign* I was critical of the use of the 'cultural defence' card in Anglo-American film talks of the 1940s, and tried to show that British official use of it was rhetorical disguise for straight commercial considerations. I also noted that 'culture' was an unfamiliar term in the vocabularies of American officials, who sensed protectionism behind it. When business invokes

closer relation to culture, their discourse deserves at least equal sceptical treatment.

The underlying puzzle is why mass culture should attract the cultural defence argument, when products of high culture do not. By most accounts, high culture has real and lasting influence, popular culture is ephemeral and superficial. British elites feared that American films would teach American manners, mores, morals and, horror of horrors, American accents. Countries speaking other tongues had no linguistic fears, especially if the films were dubbed. Diffusion of manners, mores and morals were, however, a concern.

The small high-culture audience was not accused of complicity in cultural invasion, even though much high culture is imported. Intellectual elites, which generate the rhetoric of cultural invasion, tend to use high culture as their reference. Confident of their own immunity to cultural pollution, they patronise the mass audience. Why? Suppose the media had taught British schoolchildren to speak with American accents. It would be no more than an interesting historical phenomenon, similar to the way the American accent owes much to the seventeenth-century English of the West Country.

The conception of cultural defence, then, is very confused. There are deep problems with conceiving of culture as a distinct entity having some specifiable relation to state boundaries, thus inviting state governments to manage these matters. Some elements of culture, especially those related to language, are results of influence and drift that make the effort to assert control, by the state or the guardians of culture,²⁹ seem ahistorical and futile, like the much-ridiculed French language legislation of 1994. A culture, like a language, is a historical tradition that did not need the nation-state to crystallise it, and no doubt will develop in ways that will confound the nation-state that tries to control it. Why should this cause concern? What is so deplorable about the worldwide enjoyment of *Jurassic Park*, with its multinational cast, or of that great Austrian Arnold Schwarzenegger, or of that great Belgian Jean-Claude Van Damme, or of Clint Eastwood? The answer is, I believe, a political one.³⁰

Something sinister and reactionary underlies the rhetoric of cultural invasion and cultural sovereignty. The question turns on what the United States and its society signifies in the conceptual economy of the critic of American cultural invasion. That vast unknown land to the west of Europe often functions as a *tabula rasa* on which Europeans can project their hopes and fears.³¹ In the nineteenth century, generally speaking, progressive and leftist elements looked to America as a beacon of hope; reactionaries feared it as the land of the common man. This polarity reversed in the twentieth century when America became identified with advanced industrialisation and robber baron capitalism, and its social problems became a dire warning for progressives – the more vociferous the more powerful it appeared – and a refuge for reactionaries.³² America was a radical ideological state and both its economic policies and its egalitarianism were threatening to European elites. Its commitment to consumerism and competition is not comforting to businesses seeking to operate behind risk- and competition-reducing trade barriers; its egalitarian demotic gives no special place or weight to intellectuals and their values. In so far as politicians defer to both business and

unself-consciously espouse the virtues of Americanness and Americanisation, make propaganda for what Nataša Durovičová calls Americanness 'as the very signifier of universal human evolution, subsuming under it all the local currencies of cultural exchange, a limitless melting pot of mores, nations and classes'.³³

VI Conclusion: American advantages

At the end of the Second World War the American film industry had at least five distinct advantages over all potential rivals in international trade:

1. It had extensive investments in Europe and intended to resume control of those properties.
2. Some local exhibitors and distributors were favourably disposed towards American films because their supply was reliable and their public appeal relatively constant, and they came with certain pre-sold and pricing advantages.
3. Blocked currencies gave the Americans incentive to diversify their output by spending on European location shooting and by investing further in overseas industries and overseas talent.
4. America, as the dominant military, political and economic power of the west, had clear plans for freer international trade in the post-war world.
5. America displayed exemplary skills in the manufacture of popular entertainment.³⁴

These factors show that American export success was no simple contingency that could be reversed. European dreams of usurping the American position overlooked these factors. It was reasoned that, were the audience given the choice they would choose the local product or, failing that, given no choice but the local product they would content themselves and keep up their rate of attendance. Underneath this lay a hidden premiss, namely that, when you have seen one film you have seen them all.

On the contrary, films are not perfect substitutes one for another and American films deliver unique forms of audience satisfaction. Consider how many countries would like to compete with American and British popular music, and consider the difficulty the French, Germans, Russians and Japanese have. What they produce is successful domestically but almost never back in the United States. American films had stars, distinct genres and diffuse qualities that connect to the positive image of America in the minds of so many, pinpointed by John Grierson as their 'Optimism'.³⁵ These ideological uses and gratifications of American films had as much to do with their export success as the trading strategy and tactics of their industry, their direct control of distribution, and their partial ownership of the theatres. We might say control of distribution was a necessary but not sufficient condition of their success, as was their content, but the two together were both necessary and sufficient.

With appropriate modifications for the greater direct role of European states in broadcasting, I believe much of the above analysis applies, *mutatis mutandis*, to the American export of television programmes.

Notes

- 1 The argument of this paper relies upon results documented in Ian Jarvie, *Hollywood's Overseas Campaign: The North Atlantic Movie Trade, 1920-1950* (Cambridge: Cambridge University Press, 1992). See also Jarvie, 'Dollars and Ideology: Will Hays' Economic Foreign Policy 1922-1945', *Film History* vol. 2, 1988, pp. 207-21; and 'The Postwar Economic Foreign Policy of the American Film Industry: Europe 1945-1950', *Film History* vol. 4, 1990, pp. 277-88.
- 2 The American Thomas Guback is the exception that proves this rule, since his *The International Film Industry* (Bloomington: University of Indiana Press, 1969) takes on from time to time an unsympathetic and even anti-American tone, viewing countries that import American films primarily as victims of rapacious capitalism.
- 3 Various historians, including Paul Swann, Richard Maltby, Toby Miller and others are beginning to change that.
- 4 Much of this analysis stems from John Grierson. See Ian Jarvie and Robert Macmillan, 'Grierson on Hollywood's Success', *Historical Journal of Film, Radio and Television* vol. 9, 1989, pp. 309-26.
- 5 Kristin Thompson, *Exporting Entertainment* (London: BFI, 1985).
- 6 The German industry suffered from the additional barrier of strong anti-German sentiments among the victorious powers, with some localities, like my home base of Ontario, not permitting the public screening of German films until the late 1920s.
- 7 Tino Balio, *United Artists: The Company Built by the Stars* (Madison: University of Wisconsin Press, 1976).
- 8 See the analysis in Keith Acheson and Christopher Maule, 'Understanding Hollywood's Organization and Continuing Success', *Journal of Cultural Economics* vol. 18, 1994, pp. 271-300.
- 9 See Jarvie, *Hollywood's Overseas Campaign*, ch. 8.
- 10 In a superb paper, De Vany and Eckert challenge the received view of the integrated industry as monopolistic. See Arthur De Vany and Ross D. Eckert, 'Motion Picture Antitrust: The Paramount Case Revisited', in Richard O. Zebe, Jr. and Victor P. Goldberg (eds), *Research in Law and Economics* vol. 14 (Greenwich, CT: JAI Press, 1991), pp. 51-112.
- 11 The text is in Jarvie, *Hollywood's Overseas Campaign*, pp. 379-81.
- 12 See *ibid.*, ch. 12.
- 13 An interesting research topic would be the nexus between blocked currencies, runaway production and government encouragement of tourism to assist with the dollar shortage. Europe was attractively showcased in quite a few American films of the 1950s and 1960s, the protagonists frequently being tourists.
- 14 See Paul Swann, 'The Little State Department: Washington and Hollywood's Rhetoric of the Post-War Audience', in David W. Ellwood and Ron Kros (eds), *Hollywood in Europe: Experiences of a Cultural Hegemony* (Amsterdam: VU Press, 1994), pp. 184-5.
- 15 See the argument in Jarvie, *Hollywood's Overseas Campaign* about the underlying economic concerns of Britain which were regularly dressed up in the rhetoric of culture.
- 16 An exception was France, where the Blum-Byrnes Agreement of 1946 left the British film industry with few import licences, a situation not alleviated when it was renegotiated in 1948. See Jean-Pierre Jeancolas, 'L'Arrangement Blum-Byrnes à l'épreuve des faits. Les relations (cinématographiques) franco-américaines de 1944 à 1948', 1895 no. 13, December 1993, pp. 1-49 and its sequel, 'From the Blum-Byrnes Agreement to the GATT Affair in this book.
- 17 For further discussion see Ian Jarvie, 'British Trade Policy versus Hollywood: "Food before flicks"?', *Historical Journal of Film, Radio and Television* vol. 6, pp. 19-41, and the relevant chapters in Jarvie, *Hollywood's Overseas Campaign*; Margaret Dickinson and Sarah Street, *Cinema and State: The Film Industry and the British Government 1927-1984* (London: BFI, 1985); and PER, *The British Film Industry* (London: PER, 1952).

Language Problem: European Reactions to Hollywood's Conversion to Sound, in Ellwood and Kroes, *Hollywood in Europe*.

- 19 Instructive in this regard was the monopoly pricing imposed in the British market by the refusal of the BBC and ITV companies to bid against each other, which was revealed by the scandal over *Dallas*. See Richard Collins, 'Wall-to-Wall Dallas?', in his *Television: Policy and Culture* (London: Unwin Hyman, 1990).

- 20 See the urgings of Jack Valenti, president of the MPAA, in *Hearings Before the Committee on Finance, U.S. Senate, 102nd Congress, 1st Session, 17–18 April 1991* (Washington: USGPO 1991), pp. 60–2 and 149–51.

- 21 Ibid., p. 151.

- 22 For an analysis from the simplest of premisses of why it was organised as it was see De Vany and Eckert, 'Motion Picture Antitrust'.

- 23 See Keith Acheson and Christopher Maule, 'The Business of Films: Making the Right Films and Making Films Right', forthcoming.

- 24 De Vany and Eckert's Paramount analysis could be fruitfully applied here.

- 25 It should not be forgotten that imports have often proved a disappointment, as with the British 'Prestige Experiment' and the similar disaster over swinging sixties' imports. Cf. John Gregory Dunne, *The Studio* (New York: Farrar, Straus and Giroux, 1969).

- 26 See Harold Vogel, *Entertainment Industry Economics* (New York: Cambridge University Press, 1986).

- 27 Another conundrum is that, unlike their French cousins, Québec nationalists are reported as feeling far less threatened by American media than are English Canadians. See 'Yoked in Twin Solitudes: Canada's Two Cultures', *New York Times*, 18 September 1994, section 4, p. 4; and Richard Collins, *Culture, Communication and National Identity: The Case of Canadian Television* (Toronto: University of Toronto Press, 1990).

- 28 Valenti, *Hearings Before the Committee*, p. 150.

- 29 Robert Sklar's apt phrase: see *Movie-Made America* (New York: Random House, 1975).

- 30 For another view see Victoria de Grazia, 'Mass Culture and Sovereignty: The American Challenge to European Cinemas, 1920–1960', *Journal of Modern History* vol. 61, 1989, pp. 53–87.

- 31 Heidegger's loathing of America, which he had never visited, is a striking example.

- 32 See Henry Peilham, *America and the British Left* (London: Adam and Charles Black, 1956), and the burgeoning literature on the attitudes towards America of French intellectuals.

- 33 Nataša Duřovićová, 'Translating American: The Hollywood Multilinguals 1929–1933', in Rick Altman (ed), *Sound Theory, Sound Practice* (London: Routledge, 1992), p. 141.

- 34 As to TV, 2, 4 and 5 were directly applicable, 1 was inhibited and 3 was not important.

- 35 See Jarvie and Macmillan, 'Grierson on Hollywood's Success'.