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**This paper is historically somewhat dated. In a few places I have indicated where later information would lead to modifications.**

CONTROLLING THE INTERNATIONAL FILM  
FILM INDUSTRY\*

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‘You show us America, or some parts of it, but we are not jealous of you. The have-nots, the underprivileged of the world are not jealous of you, but envious of the material content of your civilization. . . . Jealousy can be the forerunner of bitterness: envy is the forerunner of emulation.’

--President Sukarno, speaking in Hollywood, as reported in *The New York Times*, June 2, 1956, p. 13.

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Along with newspaper chains, and news agencies, film companies are among the oldest of transnational communications enterprises. Conventionally dated from the years 1895-96, movie films entered international trade almost as soon as they were invented. At first, prints were sold outright, and exhibited in temporary or hastily converted premises. Gradually, there emerged specialised, exclusive, and purpose-built retail outlets (picture palaces, nickelodeons, movie theatres, cinemas), which were in turn linked together as 'chains'. There also emerged specialised distribution or exchange networks where films were offered wholesale for hire. Film production, cinema ownership, and film distribution were all arenas for transnational enterprise. Links were established with other media such as radio (the RCA, NBC, R.K.O. Radio conglomerate), records (Warner Communications, MGM Records) television (Universal), and even copying (Rank-Xerox).

No later than the nineteen twenties, the movies had become a major mass medium of communication in the U.S.A. and Europe, a position they retained for twenty-five years. From the early years of the century this new medium was much studied by academic researchers and guardians of culture worried about its effects. From 1950 on, the movies suffered something of an eclipse in importance because of the advent of television. From being the central mass medium in western industrialised societies they shifted to being a peripherally important medium. From capturing the mass audience, they shrank to a (sizeable) minority taste.<sup>1</sup> The numbers of movies produced drastically declined, while television set sales grew exponentially. Researchers and research money were diverted to

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1. See Garth Jowett, *Film: The Democratic Art*, Boston: Little, Brown, 1976, pp. 333-60.

the new medium, and hence studies of it show continuities of theme and personnel with movie studies.

The growth of television had much to do with the fact that for both consumer and producer television is cheap. A TV set requires a relatively modest outlay; the cost per head of delivering messages is the lowest of any mass medium. Television looms very large. Yet it must not be forgotten that up to about 1950 in the United States, and to about 1960 in Europe, movies were a centrally important communications enterprise, dominated by the efforts of transnational corporations. They are still a central medium in Asia, even including television-saturated Japan; and we hear echoes from there of many of the concerns that once were expressed in Europe and the United States.<sup>2</sup>

## II

In Asia, as in the rest of the world, the dominant Transnational movie companies were originally American. The competition when it came was from Japan, China, and India. Let us first look at the outline history of this development. The United States movie industry succeeded in routing most of its competition (primarily from Italy and France) in international trade during and after the First World War. There were various factors responsible for this:

1. The war divided Europe into warring factions which prevented traditional trading patterns from continuing. Until her entry into the war in 1917 the United States was free to export her films to all parties.

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2. As an early example of European concern with cultural and social impact, see *The Cinema: Its Present Position and Future Possibilities*, The Report of the Cinema Commission of Inquiry, established by the National Council of Public Morals, London: Williams and Norgate, 1917. See also the volume *Japanese Research in Mass Communication*, Honolulu 1974.

2. The belligerent countries tended to begrudge strained resources to the relatively inessential movie industry and especially to encouragement of its export trade.
3. The United States suffered no physical damage, no disruption of her economy, and no decimation of her population on account of the war. Hence in 1919 she was in a strong position.
4. This was compounded by the vast domestic market on which American films relied. Not only was this market big enough to recoup initial costs, but it was sufficiently diverse so that films catering for it were less nationally or culturally specific than those of any other country.

To all these factors must be added another, and that is that films in this period were silent, requiring only the splicing in of titles in the local language to be intelligible anywhere.

During the nineteen twenties the various conglomerate American movie companies began establishing branches of their distribution network in foreign lands. This development paralleled the earlier shift from the outright selling of film prints to the practice of hiring them out for limited time periods. It made good economic sense not to hand over your foreign business to local agents, but to establish branches of your home company and build up local expertise within that. Thus each of the major American motion picture companies<sup>3</sup> set up distribution offices in the major markets: Japan, China, India, Malaya, Indonesia, the Philippines, Burma, Thailand, Vietnam, Korea. Between the wars several of these territories were colonial possessions of one kind or another, under British, Dutch, French, American,

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3. Known as 'the big five' and 'the little three'. The 'big five' were Metro-Goldwyn-Mayer, Paramount, R.K.O. Radio, Warner Brothers, and Twentieth Century Fox; the 'little three' were Universal, Columbia, and United Artists. There were also smaller 'poverty row' companies such as Republic, Monogram and Allied Artists that did not establish much overseas representation. The 'big five' were each the product of innumerable amalgamations and mergers of producing and distributing companies with cinema chains. See Terry Ramsaye, *A Million and One Nights*, New York: Simon and Schuster, 1926; and Henri Mercillon, *Cinéma et Monopoles, Le Cinéma aux États-Unis: Étude Économique*, Paris: Armand Colin, 1953.

or Japanese control. Where the transnational companies were home-based in the dominating power, penetration was facilitated. For example, the British Rank Organization rapidly expanded into areas of British influence throughout the world in the nineteen thirties.

Colonial authorities were far less concerned with economic than with social and political aspects of penetration. A good deal of censorship was imposed on imported films for almost every conceivable reason.<sup>4</sup> However, sex, violence, politics and local susceptibilities were the principal categories.<sup>5</sup> As examples one might cite the banning in May 1939 in Bombay of certain scenes in the film *Suez* because the donkey is named Hassan, which, it was thought, would offend Muslims; and in September 1939 in Bombay a scene was deleted from the film *Juarez* showing a vulture plucking at a dead body as this would offend the Parsee community.<sup>6</sup>

During this period we find several authors *in the United States* expressing concern about the domination of American film companies abroad, about their stifling of local film industries, and about their exporting the worst elements of American culture. In particular, I would cite the work of William Marston Seabury, formerly general counsel to the Motion Picture Board of Trade and the National Association of the Motion Picture Industry who, as early as 1926 and 1929 published two related books: *The Public and the Motion Picture*

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4. See the chapter (V) 'Around the World With the Censors' in John Eugene Harley, *World-Wide Influences of the Cinema, A Study of Official Censorship and the International Cultural Aspects of Motion Pictures*, Los Angeles: University of Southern California Press, 1940.

5. Harley, *op. cit.*, p. 148.

6. Harley, *op. cit.*, p. 149.

*Industry and Motion Picture Problems*.<sup>7</sup> He argued that American companies dominated ninety per cent of the screen time of the world, that they on the whole produced unwholesome pictures in that they promoted war, violence, and racial hatred, and that they used unfair monopolistic practices to stifle the industries and hence the cultures of other countries. He believed countries should legislate to prevent this and that efforts should be co-ordinated by an International Cinema Alliance under the auspices of the League of Nations.

Just over sixteen years later, John Eugene Harley, Professor of Political Science at the University of Southern California, published *World Wide Influences of the Cinema, A Study of Official Censorship and the International Cultural Aspects of Motion Pictures*<sup>8</sup> in which he gave a factual report on the censoring of and the trade in films and quoted many to the effect that such international flow was beneficial, yielding a kind of international understanding and promotion of trade.<sup>9</sup>

Seabury and Harley stressed the social and cultural, as well as the economic aspects of this penetration. They were both writing at a time when it was still taken for granted by laymen and academics alike that the movies had great influence, in actuality for bad and potentially for good. The massive research effort into this issue which resulted in the Payne

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7. William Marston Seabury, *The Public and the Motion Picture Industry*, New York: Macmillan, 1926; *Motion Picture Problems: The Cinema and the League of Nations*, New York: The Avondale Press, 1929.

8. Harley, *op. cit.*, note 4.

9. Cp. Walter Wanger, "120,000 American Ambassadors", *Foreign Affairs*, vol. 18, 1939, pp. 45-59. Harley cites this article with approval. See also Wanger's "The OWI and Motion Pictures", *Public Opinion Quarterly*, vol. 7, 1943, pp. 100-07 and the comments on all this in Jowett, *op. cit.*, pp. 302-14.

Fund Studies was completed and published between 1933 and 1935.<sup>10</sup> There was controversy about whether influence was demonstrated or demonstrable, as there still is.<sup>11</sup> If there was demonstrable (bad) influence it was of some concern, especially abroad. American cultural imperialism was a topic to which some Americans were highly sensitive, as they still are today, witness Schiller.<sup>12</sup> Radio was seen as less of a threat in this respect, presumably because of the difference language made. The same might have been thought to be true of the dissemination of news. If, however, one follows the argument of Tunstall's interesting book *The Media are American*, the reverse is seen to be the case.<sup>13</sup> Not only content but even the forms of media throughout the world have been subject to American cultural domination exercised through economic leverage.

### III

The introduction of sound-on-film in the United States in 1926, and subsequently throughout the world in the next ten years, seemed likely to deal a blow to the export of films. The limits of a language-speaking area would now be the limits of a film's

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10 On the Payne Fund Studies, see Jowett, *op. cit.*, pp. 220-29. [Added in 2006: See also the collective volume Garth S. Jowett, Ian C. Jarvie, Kathryn H. Fuller, *Children and the Movies. Media Influence and the Payne Fund Controversy*, New York: Cambridge University Press, 1996.

11 This controversy is briefly discussed in I. C. Jarvie, *Movies As Social Criticism: Aspects of the Social Psychology*, Metuchen, N. J.: Scarecrow Press, 1978, pp. 1-41. It re-emerged in the television literature, was surveyed by Joseph Klapper in *The Effects of Mass Communication*, Glencoe, Ill.: Free Press, 1961, and revived with the publication of *Television and Growing Up: The Impact of Televised Violence*, Washington: U.S.G.P.O., 1972.

12. Herbert Schiller, *Mass Communication and American Empire*, New York: Augustus M. Kelley, 1969. Sharply criticised by Tunstall, *op. cit.*, *infra*, pp. 40-2. Cp. Harry L. Hansen "Hollywood and International Understanding", *Harvard Business Review*, vol. 25, 1945, pp. 28-45.

13. Jeremy Tunstall, *The Media Are American: Anglo-American Media in the World*, London: Constable, 1977.

intelligibility. Companies with a large stake in sales abroad would likely suffer. Relatively small language groups that could presently enjoy titled silent films would now be deprived of movie entertainment because the group was too small to sustain a sound film industry. Whereas titling silents was cheap, the new sound film processes were enormously expensive both to produce and to exhibit. The movie industry had to virtually re-capitalize itself to accommodate sound.<sup>14</sup>

Dialogue emanating from a loudspeaker behind the screen encouraged the end of pantomimic acting techniques, thus making films subtler and harder to understand cross-culturally. Subtitling, a variant of the use of interscenic titles in silent movies, was hard to discern, and demanded not just literacy but rather the ability to read quickly. During a silent film audience members sometimes read the titles aloud to one another or, as in Japan, had a narrator or *benshi*, to explain.<sup>15</sup> With a loud sound track of dialogue and music these side-shows became impossible.

The solution, which restored the possibilities for transnational enterprise in the film business, was the use of dubbing. Not by any means easy to do well, or all that successful, dubbing was relatively cheap. The idea is to make a new voice sound track for each language, choosing that translation of the dialogue which will, so far as possible, match the

14. For the economics of sound, see Harry M. Geduld, *The Birth of the Talkies: From Edison to Jolson*, Bloomington: Indiana University Press, 1975; J. Douglas Gomery, "The Coming of Sound to the American Cinema: The Transformation of an Industry", Ph.D. dissertation, University of Wisconsin-Madison, 1975; and Joel Swensen, "The Entrepreneur's Role in Introducing the Sound Motion Picture", *Political Science Quarterly*, vol. 63, 1948, pp. 404-23.

15. The *benshi* is discussed in Donald Richie and Joseph Anderson, *The Japanese Film*, Tokyo: Charles Tuttle, 1959, pp. 23-6.



lip movements of the actors. Hollywood was on to this technique very fast, and in the thirties and forties employed whole departments to produce versions of films in other languages. We know for example that some of Luis Bunuel's brief years in Hollywood were spent preparing Spanish language versions of Hollywood movies.<sup>16</sup>

Film purists have always disliked dubbing, but commercially it has been very successful. Hollywood employs it consistently in musicals, in order to allow the star to sing and dance vigorously at the same time, a feat much harder to achieve on the stage. Some film industries, to economise on capital investment, dub all their films. This was the practice in Italy, and is still the practice in Hong Kong. It is difficult to see the objection. Until very recent technical advances virtually every outdoor scene had to have its voice track dubbed in (or 'looped') simply because of the noise problem.

With dubbing, American films could be shown anywhere, as could Hong Kong, Indian and Japanese movies. Two obvious snags remained, however, to successful cultural invasion. One was that American actors and actresses, and the manners and mores of Americans as displayed on the screen, did not look at all Asian. This created certain problems of identification: American films might look like exotic travelogues to Asian audiences. To the extent that American films were culturally specific, to that extent was projection and identification inhibited. To the extent that they dealt with 'everyman' situations, to that extent they had potentially world-wide popularity and clearly little

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16. Alluded to in Francisco Aranda, *Luis Bunuel: A Critical Biography*, New York: Da Capo, 1976, pp. 128-9.

difficulty with projection and identification.<sup>17</sup> Most striking in all this is the success of action and of broad comedy. Westerns with William S. Hart, comedy with Chaplin or the Keystone Cops, acrobatics in the second career of Douglas Fairbanks,<sup>18</sup> these were the modes which yielded Hollywood films their universal acceptance. And it was universal, it was spontaneous.

It is important to stress this, I think: American movie success was in the first instance a cashing in on a public demand. One has only to read Chaplin's autobiography<sup>19</sup> to see the extent to which he was stunned by his own world-wide fame and acceptance. He was not a product calculatedly built up and sold by shrewd American corporations. On the contrary, the shrewdness of the American corporations consisted in their quickly realising Chaplin's potential and contracting to exploit it. Once the business was built up, of course, the two standard problems of business arose and needed work: what do you do next, and, how do you grow and develop? Here lies I think the economic logic of American penetration of the world-wide movie market, a penetration that began as the exploitation of a golden opportunity (the world liked certain American movies a lot), and ended up being a necessity. American movies now need their overseas revenues to make a healthy profit. The domestic market no longer sustains the industry.

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17. There are, of course, subtleties about the extent to which the culturally specific (say, the films of Ozu), is the most truly universal. I set these aside here.

18. See Robert Windeler, *Mary Pickford: Sweetheart of the World*, London: W. H. Allen, 1975, pp. 119-20. Fairbanks' first career success was as a 'sophisticated' man-about-town. See Richard Schickel, *His Picture in the Papers, A Speculation on Celebrity in America, Based on the Life of Douglas Fairbanks, Sr.*, New York: Charterhouse, 1973.

19. Charles Chaplin, *My Autobiography*, London: The Bodley Head, 1964.

The other respect in which American movies ran into a snag was that local languages and cultures, through the stage, radio, singing and later, television, develop their own heroes and heroines: actors, personalities, pop singers, and even politicians. There is a demand (in the economist's sense) to see these people in films--but then the question arises of whether their films are exportable. For a long time Hollywood got away with the export of films totally unsuited to anything but the American domestic audience simply because of the shortage of product abroad, the monopolistic full-line forcing techniques of the transnational companies,<sup>20</sup> and perhaps also because of the travelogue effect. Today the American industry is more finely tuned: Don Knotts' comedies are hardly seen in the sophisticated urban areas of the East; just as films starring the amazing MGR (or the lamented Prince Sihanouk) do not pass beyond Tamilnadu (or what was Cambodia).<sup>21</sup>

No solution has been found to this local hero effect. In fact it has been the foundation on which many film industries have started and survived, as in films starring Cantonese opera performers from Hong Kong, pop singers in Britain or France (e.g., Tommy Steele, Cliff Richard, Johnny Halliday, Dalida), etc., etc.

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20. 'Full-line-forcing' is the technique of forcing a customer to take the full line of a company's product in order to get any particular item.

21. M. G. Ramachandran is discussed in Robert L. Hardgrave, Jr., "The Celluloid God: M.G.R. and the Tamil Film", *South Asian Review*, vol. 4, 1971, pp. 307-14; and Sri E. Divien, et al., *The Impact of Film on Society*, Madras: Centre for Social Research, 1974. Prince Sihanouk's film-making activities were described in *Time*, December 6, 1968, vol. 92, pp. 47-9 (37-9 in the Canadian Edition).

## IV

So far then the story is one of penetration of Asia by Transnational American companies, with one lesser British company (Rank--anyway allied with Universal). Americans themselves have displayed grave anxiety and guilt about this economic and cultural domination. All attempts to curb it by domestic action failed. Those countries where there is an indigenous film industry, or where there is a will to set one up, take action themselves. Various devices are exploited. Censorship is one. Import control is another. Duties on imported film stock a third. Surcharges on admission prices to foreign films a fourth. A quota on the exhibition of foreign films, or a mandatory quota of domestic films a fifth and sixth. The blocking of the earnings of foreign films still another, and so on. Working against all this is simple economic logic. Movies are a high cost industry: both overheads and operating costs are extremely large. The American industry is in place: it still has a healthy domestic market. It has grooved channels for world-wide distribution and sales. Hence it is able to offer volume of material at matchlessly low prices, to guarantee delivery and certain kinds of quality, mainly 'professionalism' (in a sense defined by the American industry and yet accepted the world over).<sup>22</sup>

But I reiterate that the overwhelming concern was cultural and political. Britain had government enquiries, so did British colonies like Malaya and India.<sup>23</sup> In looking at the actual concerns expressed I think one has to resort in the first instance to a very general

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22. There is an excellent analysis of American film domination in Europe in Thomas H. Guback, *The International Film Industry*, Bloomington: Indiana University Press, 1969.

23. E.g., *op. cit.*, note 2 *supra*; *Report of the Indian Cinematograph Committee 1927-8*, Calcutta, 1928; *Report of the Film Enquiry Committee*, New Delhi, 1951; *Committee on Film Censorship, Report*, Singapore, 1951.

category: 'Americanization'. This word connotes a dislike of American culture and its values as they are projected on the screen. Whether directed towards such trivial matters as gum-chewing, or as profound matters as the individualism of so many American films, they showed attitudes to life, authority, tradition, values and other countries that many groups in these countries found deplorable. To say it as simply as possible, American films drew forth vigorous defences of 'our way of doing things'. Yet the fact remains that these films were popular. Very little investigation has been done into why this should have been so, why the repulsion felt by some elements from Americanization should not have affected other groups much at all. Herbert Gans in a fascinating unpublished report did attempt an explanation for Great Britain that might be generalisable: that American films and television programmes were individualistic and free of the class system in which British people operated. They either showed a classless world, or they showed upward mobility as right and possible. These liberating conditions were he thought part of what attracted British viewers to American material.<sup>24</sup> The fact that this material is often particularly attractive to adolescents, the rebellious age in all societies, and the further fact that most other countries

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24. "Thus, the mobility of the working class, and of the teenager of that class into a more independent status, have created the demand for symbolic materials, i.e., dreams and fantasies, with perhaps three types of content: 1. substantive aspirations, the images of model persons, 2. action, i.e., the belief in the ability to do something about achieving aspirations, and 3. satisfactions, i.e., beliefs that life will be enjoyable, perhaps exciting, and worth living. These materials might be described summarily as 'aspiration-fantasies' (pp. 121-2). . . . What seems to be happening is that British young people . . . [i]nstead of demanding that domestic films provide fantasy materials for their aspirations . . . rely on American films for them. By finding such aspirations in films of a foreign country, they can maintain their dreams, and yet avoid the frustration that might come if they associated these dreams too closely with Britain" (p. 125). Herbert J. Gans, American Film and Television Programs on British Screens: A Study of the Functions of American Popular Culture Abroad, Philadelphia: Institute for Urban Studies, University of Pennsylvania, 1959.

have a more traditional and class-bound social organisation than that shown in American films, may give us clues as to an explanation.

The result of many of the investigations was the imposition of strict forms of national censorship of movies, of a character unknown in the United States. The United States industry had developed its own self-censorship system, and that had already to take great account of foreign sensibilities: this, judging by the cutting and banning American movies suffered abroad,<sup>25</sup> it signally failed to do.<sup>26</sup> Little need be known of Asian mores to see what sorts of problems are going to come up. American films stress individualism and modernism rather than family and tradition as resources for coping with situations. They show women in liberated social roles, deal rather frankly with sex and violence, ridicule or are sceptical of authority, caricature foreigners, tend to take the side of progress and the new rather than tradition and the old, and so on. Moreover, throughout Asia, the sound era was a politically explosive time, from India to the Philippines there was a rush of strong anti-colonial sentiment and so censors were on the lookout for anything seditious. After de-colonisation newly awakened nationalist sensibilities often resulted in censorship no less strict than under colonialism.

## V

Naturally, the Japanese used their brief period of Pacific hegemony to show their own films throughout occupied Asia, especially those films which lauded Japan and its military might,

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25. Harley, *loc. cit.*, note 4 *supra*.

26. See Murray Schumach, *The Face on the Cutting Room Floor, The Story of Movie and Television Censorship*, New York: William Morrow, 1964; and Richard S. Randall, *Censorship of the Movies, The Social and Political Control of a Mass Medium*, Madison: University of Milwaukee Press, 1968.

or which villified the ousted colonialists. An irony is that films were in such short supply that American films were still being shown in Hong Kong a year after the occupation began.<sup>27</sup> But immediately after World War II the American distribution network reasserted itself throughout the world, including Asia. A large backlog of wartime productions was available to be dumped wherever they could be imported, and the industry was briefly riding high on its most profitable years ever.

With the rapid growth of television after 1950 the American movie industry went into a very rapid decline cushioned only by the gradual shift to the production of television material in the same facilities using much the same people. During this period of structural change the American industry intensified its overseas efforts. Co-productions were encouraged, in order to utilise blocked funds, to increase 'local' attraction, and to evade quota regulations. 'Runaway' production also became common, as American companies sought not only negatively to escape from high domestic costs, but also positively as they sought to add attractions such as the exotic. Thus it developed that after a time the American industry was co-financing a good deal of the production in other countries, especially those of Europe.<sup>28</sup> So that from being distributors, thence to assembling chains of theatres and now finally into production, American companies had penetrated ever deeper into foreign industries. So far as I know this policy was not adopted by the Japanese industry, in Asia the only serious competitor in size, efficiency and professionalism to the

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27. See my *Window on Hong Kong: A Sociological Study of the Hong Kong Film Industry and Its Audience*, Hong Kong: Centre of Asian Studies, University of Hong Kong, 1977, p. 15.

28. See Guback, *op. cit.*, note 22.

American. Basically, Japan has concentrated on limited distribution of selected exportable films, and the acquisition of the odd theatre. Co-production has been done. The Indian film industry seems to have done very little in the way of transnational enterprise, although Indian films circulated in Ceylon, Malaya and Thailand, as well as Africa. Yet this was a period of economic growth, when the American industry was weakening, when nationalist sentiment was strong, and when in many countries disposable leisure income was on the rise. Some government stimulation of local film industries was effected, but with little hope of ever being able, as it were, to fill the available screen time. Strenuous censorship, as in India, Malaya, and Singapore to this day seems even more of a concern.

As the Hollywood industry declined into the 1950s, the absolute number of films made there dropped steeply. Some companies closed down altogether (most 'B' picture producers and RKO Radio), others reduced their output to a handful (MGM), and still others closed down and amalgamated their overseas offices (MGM and Twentieth Century Fox have joint distribution offices, Paramount hands overseas distribution over to Cinema Center/Cinema International).<sup>29</sup>

Into this vacuum step the film industries of Japan, Hong Kong, and Taiwan (not, noticeably, those of Malaya, Thailand, the Philippines and Indonesia, which mainly continue to cultivate their domestic market). In the early 1960s Hong Kong, Japanese, Thai and Taiwan money was invested in co-productions such as *Three Gentlemen from Tokyo*

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29. [Added in 2006. All this company information was true at the time, but is now mostly out of date.]



(Cathay 1962).<sup>30</sup> Through the late fifties a modest number of Japanese swordfight films had been exported through Asia, but even now one is surprised at how unaggressive the Japanese industry was in attempting to penetrate Asian markets. I can offer two possible reasons for this. The first is a long-standing Japanese conviction of their own cultural insularity: that their culture and its artefacts are unintelligible to outsiders. They were after all surprised by the success of Kurosawa films in Europe after the war, and had to be persuaded to export Ozu at all. More important, I suppose, would be the aftermath of the war itself. Japan was not exactly the most popular country in Asia and while Japanese technology did not constantly remind one it was such (National, Panasonic, etc.), Japanese on the screen most certainly did. Eventually, as one might suspect, it was the action swordfight movie with its strong everyman overtones that led the way for the Japanese to get into export.

Meanwhile, the Hong Kong film industry had been going through changes, gradually shifting its production centre from Singapore. Hong Kong's film industry has always been export-conscious. Indeed, it wasn't until the late nineteen-sixties that the domestic market was allowed to figure much in producers' calculations.<sup>31</sup> From the very start in the silent era, films produced in Hong Kong were intended for export to China itself, or for distribution among Chinese communities overseas. As a free port within the British Empire there were certain obvious advantages to be had from production there. Yet Singapore was the headquarters of its main companies. It was only after it became clear that Hong Kong

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30. Other co-productions were: *Cathay: A Night in Hong Kong*, 1961; *Honolulu, Tokyo and Hong Kong* (1963); *Operation Bangkok*, 1965; *Night in Bangkok*, 1965; Shaw Brothers: *Hong Kong, Manila, Singapore*, 1965.

31. See Jarvie, *op. cit.*, note 28, p. 43.

was not going to be incorporated into the People's Republic of China (at least for a time) that all production began to be concentrated there. The transnational companies involved were the Cathay Organization and the Shaw Organization. Each was originally a theatre chain, the former always in Singapore and Malaya, the latter originally in China proper with a branch in Singapore-Malaya that eventually became the main trunk. Each was Chinese owned, but produced films in Chinese dialects and Malay. Studios in Kuala Lumpur, Singapore and Hong Kong were utilised.

The Korean War embargo made it clear that there was no hope of the China market opening up again in the foreseeable future. It thus behooved these companies to concentrate on Asia, including now Taiwan and South Korea, for their revenue. Talent and facilities were abundant in Hong Kong, especially after the refugee exodus of 1949-50; free enterprise was positively encouraged; there was a relative lack of political pressure; and the currency was hard. Equipment and stock would be easy to obtain. Nationalism was non-existent and Hong Kong was not involved in political quarrels with 'new emerging forces'. Studios already existed, there was no unionisation, and thus 24-hour schedules were possible. From Hong Kong, films could flow without political or commercial let to all the non-communist nations of Asia. From those early nineteen fifties until the kung fu craze of the nineteen seventies, the Hong Kong industry produced for export Chinese dialect films, and Mandarin films that were pastiches of the glossy Hollywood product by then on the decline.

Two great entrepreneurs masterminded this process: Loke Wan Tho and Run Run Shaw. In my book *Window on Hong Kong*, I describe how these two men gradually built up their businesses in rather precarious conditions, and how ultimately it was organisational

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skill that led to Shaw's triumph and the Cathay organisation's downfall. The film industry has always been a very risky business, and the existence of an opportunity does not make it fall into anyone's lap. Prosperity came from gradually phasing out the production of dialect films made cheaply for a declining audience, and gradually substituting professional quality Mandarin films with a more modern and everyman outlook that could be sold other than to Chinese dialect groups.

The initial strategy in this campaign was focussed on the creation of stars. Hence, through the fifties and sixties there was throughout Asia a great deal of promotion of glamorous Chinese ladies and gentlemen from the Hong Kong screen through fan magazines, personal appearances, and plentiful film 'vehicles'. There was an everyman element here too, as those promoted had what one might describe as somewhat westernised versions of Chinese good looks, rather larger eyes, noses and breasts than might be strictly typical or traditionally considered beautiful.

This strategy worked to some extent, but Hong Kong movies did not break through to the big time. It was not until the financial year 1968-69 that a Hong Kong film outgrossed the top American film of the same year. . . . The difference was action: the film in question, *Dragon Gate Inn*.<sup>32</sup> Finally, Hong Kong movies had found their equivalent of the western or the samurai, namely swordfighting. Whether inspired by the 'Zatoichi' films<sup>33</sup> or not, Hong Kong movies began to do really well with the one-armed swordsman series. This gave way to kung fu, which in turn was heavily interlarded with other kinds of mayhem, and,

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32. The film grossed H.K. \$2,252,000. See Jarvie, *op. cit.*, p. 133.

33. On the Zatoichi films see Alain Silver, *The Samurai Film*, New York: Barnes, 1977.

inevitably, sex. Indeed, by the mid seventies it was comedy and sex that diversified the action product.

Hong Kong movies now began to penetrate well beyond the Chinatowns of the world. Latin America, the Middle East, and eventually even Africa and Europe began to show respectable returns. Yet when I interviewed Run Run Shaw in 1973 his view was that the success was a fad that would open up some opportunities (more co-production, for example), but could not be sustained. Hence it seemed he was not planning to acquire theatres on a large scale, or to establish branch distribution offices round the world, preferring to franchise local people and continue to concentrate on the Asian audiences he knew best. So we have the odd spectacle of a businessman passing up a possible opportunity to expand his transnational possibilities.

While the star-promotion strategy had not done too well, it had also not created trouble. Violent action, crime, and explicit sex did however create a lot of trouble for Hong Kong movies in the developing nations of Asia. Singapore, Malaysia, Sri Lanka and India have strict and rather puritannical censors who shredded quite a lot of Hong Kong movies. Previously, Hong Kong itself had fairly strict censorship. But this had become more liberal, and local producers had made versions of their films for even more liberal regimes.

But the biggest threat to the penetration of the Hong Kong film was nationalism. Nearly all the countries of Asia aspire to some national identity, and with it, to indigenous radio, television and movies. From Sri Lanka to Japan, there is a desire to see the local industry flourish, not to let it be overwhelmed by imports. Only the Japanese (since 1964) dared have a free import policy. Everywhere else there has had to be a precariously

maintained balance between encouraging local production and yet letting in enough films to keep the screens full.

## VI

I conclude this sketch of transnational film enterprises in Asia with some remarks about the specific influence of the home and host governments on the enterprises, and also about the influence of the enterprises on the countries concerned.

With the exception of Taiwan and Singapore, Hong Kong film makers concentrated on a product that was intended for overseas Chinese; i.e., minorities, and often unpopular minorities, in other countries. Governments were often less concerned with the transnational nature of the enterprise than they were with its Chinese cast. (Cp. Americanization.) Traditional markets, China proper, Burma, and now Vietnam, are completely closed. The Philippines, Malaya and Indonesia are highly sensitive. The contents of many early martial arts films was highly nationalistic, suggesting that China and Chinese were the victims of the machinations of other powers, and especially Japan. Writers at Golden Harvest remarked to me that they would not know what to do for a supply of villains were it not for the ready-made Japanese target. Yet these films pitted individualistic and aggressive Chinese heroes against high odds and showed their triumph.

Nevertheless, the Cathay-Golden Harvest, and Shaw Brothers organisations have built up chains of theatres in Malaysia, Singapore, Borneo, Thailand, Taiwan and South America, with scattered outposts in the Chinatowns of North America. Their films are also shown in Korea, Japan and Australia. The home government of Hong Kong does not interfere in any way with such enterprise (Run Run Shaw has gained a knighthood).

The questions relating to the host nations are more difficult. Technologically the cinema is an old medium that is well understood. It has however economic and cultural impacts that must be distinguished. Most of these countries have a local film industry--very

large in the case of Japan, quite modest in the case of Malaya and Thailand, yet there is relatively little in the way of restricted entry to Hong Kong-produced films, any more than to American or British films. As mentioned, there is censorship, quotas, etc., but by and large the Association of Film Producers of South East Asia engage in friendly-hostile cooperative competition. There is, one has to realise, a basic shortage of new movies that the public will go to see. That is to say there is theatre space for rather more movies than are produced by any national industry except India and Japan. Which is to say, demand exceeds supply.<sup>34</sup>

Perhaps the most insidious of all influences are those which Jeremy Tunstall attempts to describe in his *The Media are American*. His thesis is that the forms of the media, and hence certain constraints on content, have been determined or at least heavily influenced world wide by the American model, developed for American conditions. The media are politics, commerce, and technology. They reflect the democratic, pluralist, individualist and sceptical politics of America. They are designed to gain audience attention for advertising, for competition between media and channels within media. They go with technology.

Like Tunstall, I find the imperialist thesis implausible, confusing effect with cause. Like Tunstall, too, I expect that the media will continue to develop on three levels: transnational films, television shows, pop music, newsmagazines, advertisements and the

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34. The economics of the film business are both mysterious and complicated. There is excess demand because one cannot get in to see popular films, sometimes for weeks. But, rate of supply cannot be altered, and price is fixed. Further, the excess demand is specific: films are not perfect substitutes for each other. See J. C. Strick, 'The Economics of the Motion Picture Industry: A Survey', *Philosophy of the Social Sciences*, vol. 8, December 1978. [Added in 2006. There are now quite a few monographs and journal articles that demystify motion picture economics.]

like--appealing especially to urban and affluent people and countries. In films the dominant position will continue to be occupied by America. Then there is the level of strictly local news and gossip on radio, and television, folk and ethnic culture. This will be the level at which government support is added and which will make documentary films. Its audience will be older, smaller, and a combination of artistic and nationalist elites. Popular enjoyment may develop.

And finally there is a middle level, the most exciting for movies, where local culture, local heroes, ever cheaper and simpler technology, plus government encouragement can lead to the growth of indigenous yet hybrid media. Japan, Hong Kong, Taiwan, Egypt, India, the Philippines, already have such industries on a large scale. In Eastern Europe it has created film industries in Bulgaria, Russia, Yugoslavia, Hungary, Poland and Czechoslovakia. We now see the policy paying off in Ceylon, Cuba, South Korea, Australia, and New Zealand.<sup>35</sup> These films co-exist with, rather than challenge the American product, and they can in a modest way enter into international trade. Such a development is hopeful.

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35. [Added in 2006. This was written before the events of 1989 and later.]



## TABLES

These tables illustrate the meager and unreliable data available. Table I is cursory. Tables II - VII are taken from different sources. All contain gaps, and repetition of stale figures year to year. Perhaps between them they hint where the facts are.

TABLE I

FEATURE FILM PRODUCTION 1938
Japan
India
Philippines
Hong Kong
China
Siam
Chosen
Formosa

Source: U.S. Bureau of Commerce, Bureau of Foreign and Domestic Commerce, Motion Picture Division, *Review of Foreign Film Markets, 1938*, p. vi.

ASIAN CINEMA, RADIO AND TV STATISTICS

TABLE II

Country	Year	Cinemas	Seats		Attendance	Attendance		Population	Radio Sets	TV Sets	Lang Films Produced
			per 1000 Inhabitants	per 1000 Inhabitants		per 1000 Inhabitants	per 1000 Inhabitants				
Burma											
Hong Kong	1974	81	23.7	63m	14.8	4.25m	1m	748th	133 (1972)		
India	1973	5408	6.5	2424m	4.1	586.2m	14m	163th	433 (1971)		
Indonesia	1973	1110	--	--	--	127.5m	6m	100th	14 (1970)		
Japan	1974	2468	10.1	185.7m	1.7	109.6m	75m	24.7m	390 (1972)		
Korea	1974	689	12.8	99.9m	3.0	33.4m	4m	956th	208 (1971)		
Malaysia	1974	500	27.8	95.4m	8.2	9.7m	462th	359th	8 (1972)		
Philippines	1975	716	13.5	38m	7.6	41.3m	1.8m	450th	208 (1965)		
Singapore	1974	72	27.3	40.1m	17.8	2.2m	--	--	11 (1967)		
Sri Lanka	1974	346	13.3	53.5m	3.9				25 (1971)		
Thailand	1973	658	9.2	71m	1.7	41m	3m	300th	2 (1963)		

Sources: United Nations Statistical Yearbook 1976.  
United Nations Statistical Yearbook for Asia and the Pacific 1975.

TABLE III  
ASIAN MARKETS  
CINEMAS, PRODUCTION, ATTENDANCE, IMPORTS

Country	Year	Theatres	Features Produced	Imported	Attendance
Ceylon	1974	315	17	228	5.6m
	1975	323	18	192	5.1m
	1976	385	41	187	5.7m
	1977	385	41	187	5.7m
	1978	392	87	42	10.3m
Hong Kong	1974	103	169	1545	80.9m
	1975	103	169	1545	80.9m
	1976	NF	NF	NF	NF
	1977	NF	NF	NF	NF
	1978	NF	NF	NF	NF
India	1974	4785	237	126	
	1975	4850	400+		
	1976	NF	NF	NF	NF
	1977	NF	NF	NF	NF
	1978	5807	507	NF	3890m
Indonesia	1974	400	12	770	22m
	1975	400	12	770	22m
	1976	406	13	740	23m
	1977	406	13	740	23m
	1978	406	13	740	23m
Japan	1974	2673	404	283	187m
	1975	2530	405	252	187.8m
	1976	2468	333	241	185.5m
	1977	2443	333	225	174m
	1978	2298	356	245	171m
Malaysia/ Singapore	1974	522	13	729	52m
	1975	522	13	729	52.3m
	1976	522	13	729	52.3m
	1977	522	13	729	52.3m
	1978	NF	NF	NF	NF
Philippines	1974	805	250	480	240m
	1975	807	230	475	241m
	1976	891	143	581	300m
	1977	891	143	581	300m
	1978	891	143	581	300m
South Korea	1974	793	122	59	20m
	1975	790	120	65	21m
	1976	790	120	65	21m
	1977	790	120	65	21m
	1978	755	94	65	21m
Taiwan	1974	380	197	230	33m
	1975	380	197	230	33m
	1976	380	197	230	33m
	1977	380	197	230	33m
	1978	489	180	230	35m
Thailand	1974	402	65	575	140m
	1975	404	60	575	140m
	1976	410	55	498	145m
	1977	410	55	498	145m
	1978	410	100	518	145m

Source: International Motion Picture Almanac, 1974, 1975, 1976, 1977, 1978: New York, Quigley.

TABLE 4: THE HOLLYWOOD SHARE IN FOREIGN FILM MARKETS, 1925, 1928, 1937

	% of all Hollywood foreign film market revenue 1925	Hollywood feature films as % of all films shown		
		1925	1928	1937
UK	35	95	81	65
Germany	10	60	47	18
Australia	} 8	} 95	82	75
New Zealand			90	
Scandinavia	6	85	65	
Argentina	5	90	90	70
Canada	5	95	95	75
France	3	70	63	45
Japan	3	30	22	34
Brazil	3	95	85	85
Austria	} 3	} 70	50	
Hungary			80	
Czechoslovakia			48	
Italy	2	65	70	75
Spain and Portugal	2	90	85	
Mexico	2	90	95	80
China				85
Colombia				80
Egypt				76
India				46
Total foreign revenue of all Hollywood films		\$50m.	\$70m.	

Sources: For 1925 and 1928, William Victor Strauss, 'Foreign Distribution of American Motion Pictures', *Harvard Business Review*, 1930; for 1937, US Department of Commerce (1937) *Review of Foreign Film Markets*.

TABLE 5

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% of all exhibited feature films originated from these Countries 1948

Films Exhibited in these countries	USA	Italy	UK	France	Sweden	USSR	Mexico	Argentina	Egypt	India	China	Domestic
<b>SOUTH AMERICA</b>												
Argentina	50	—	—	—	—	—	5	(35)	—	—	—	35
Bolivia	65-70	—	—	—	—	—	15-20	10-15	—	—	—	—
Brazil	70	4	—	—	—	—	—	6	—	—	—	10
Chile	50	—	12	—	—	—	10	10	—	—	—	—
Colombia	50	—	10	—	—	—	—	15	—	—	—	—
Ecuador	70	—	—	—	—	—	15	10	—	—	—	—
Paraguay	70	—	—	—	—	—	5	20	—	—	—	—
Peru	72	—	—	—	—	—	18	6	—	—	—	—
Uruguay	58	—	—	9	—	—	12	11	—	—	—	—
Venezuela	70	—	—	—	—	—	15	8	—	—	—	—
<b>ASIA</b>												
Afghanistan	50	—	—	—	—	—	—	—	—	50	—	—
Burma	44	—	—	—	—	—	—	—	—	41	—	9
Ceylon	50	—	16	—	—	—	—	—	—	32	—	—
India	5	—	—	—	—	—	—	—	—	(90)	—	90
Iraq	60	—	12	—	—	—	—	—	15	—	—	—
Israel	55	—	25	—	—	20	—	—	—	—	—	—
S. Korea	95	—	5	—	—	—	—	—	—	—	—	—
Lebanon	40	—	—	5	—	—	—	—	50	—	—	—
Pakistan	15	—	5	—	—	—	—	—	—	80	—	—
Persia	76	—	—	9	—	10	—	—	—	—	—	—
Philippines	50	—	—	—	—	—	—	—	—	—	10	40
Syria	60	3	6	8	—	—	—	—	18	—	—	—
Thailand	90	—	2	—	—	—	—	—	—	—	8	—
Turkey	70	—	—	—	—	—	—	—	5	—	—	10
Indonesia	65	—	20	—	—	—	—	—	—	—	—	—
Aden	66	—	7	—	—	—	—	—	—	22	—	—

<b>EUROPE</b>												
Austria	30	—	10	25	—	20	—	—	—	—	—	15
Belgium	80	—	4	12	—	—	—	—	—	—	—	—
Czechoslovakia	18	—	19	11	—	23	—	—	—	—	—	3
Denmark	76	—	8	7	—	—	—	—	—	—	—	3
Finland	57	—	10	9	7	9	—	—	—	—	—	5
France	40	—	—	(24)	—	—	—	—	—	—	—	24
Greece	70	—	13	8	—	—	—	—	—	—	—	—
Hungary	25	—	15	15	—	30	—	—	—	—	—	—
Ireland	79	—	19	—	—	—	—	—	—	—	—	—
Italy	64	(11)	9	7	—	—	—	—	—	—	—	11
Luxembourg	70	—	—	10	—	—	—	—	—	—	—	—
Netherlands	67	—	16	7	—	—	—	—	—	—	—	—
Norway	49	—	17	13	12	—	—	—	—	—	—	—
Spain	67	—	9	—	—	—	9	—	—	—	—	14
Sweden	50	—	10	10	—	—	—	—	—	—	—	10
Switzerland	55	6	9	19	—	—	—	—	—	—	—	—
United Kingdom <sup>1</sup>	68	1	(23)	4	—	—	—	—	—	—	—	23
Yugoslavia	—	—	—	—	—	65	—	—	—	—	—	9
<b>OCEANIA</b>												
New Caledonia	48	—	—	52	—	—	—	—	—	—	—	—
Fiji	70	—	5	—	—	—	—	—	—	25	—	—

<sup>1</sup>These UK figures are for 1949 and are taken from Thomas Guback (1969), p. 44.

% of feature films from the USA only as follows:

98% British Honduras

97% Leeward Islands

95% Netherlands West Indies, Bermuda, Leeward Islands, Puerto Rico

90% Ethiopia, Angola, Bahamas, Surinam

Reproduced from Jeremy Tunstall The Media Are American.

TABLE 6

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## SOURCES OF FEATURE FILM IMPORTS INTO 54 NATIONS, 1971-2

*Feature film imports by these countries (in percentages)*

Sources of film imports	7 EEC countries	13 Other W. Europe and developed countries	7 East European countries	3 Latin American countries	7 African countries	7 Middle-East countries	10 South Asian countries	Total of 54 countries
USA	45	39	10	61	26	38	38	34.6
Italy	13	12	8	7	28	15	10	13.2
UK	14	13	3	6	10	7	7	8.8
France	12	10	8	7	15	5	3	8.7
West Germany	6	5	1	2	2	1	2	2.8
4 EEC COUNTRIES	44	41	21	22	54	28	23	33.5
Japan	1	1	3	2	1	—	2	1.1
Spain	—	1	1	4	2	—	—	.9
Greece	—	1	—	—	—	2	—	.6
Sweden	1	1	—	—	—	—	—	.4
4 OTHER W. EUROPEAN AND DEVELOPED	3	4	4	7	3	2	2	3.0
USSR	1	2	19	2	2	1	3	3.6
Czechoslovakia	—	—	6	—	—	—	—	.8
East Germany	—	—	7	—	—	—	—	.8
Poland	—	—	6	—	—	—	—	.7
Hungary	—	—	4	—	—	—	—	.5
Romania	—	—	4	—	—	—	—	.5
Yugoslavia	—	—	3	—	—	—	—	.4

7 EAST EUROPE	1	2	49	2	2	1	3	7.3
Mexico	1	1	1	2	—	—	—	.5
Egypt	—	—	1	—	3	5	—	1.0
Turkey	—	—	—	—	—	4	—	.6
Iran	—	—	—	—	—	—	2	.4
3 MID-EAST	—	—	1	—	3	9	2	2.0
India	—	—	—	—	9	5	17	4.5
Hong-Kong	—	—	—	—	—	—	7	1.0
2 FAR EAST	—	—	—	—	9	5	24	5.5
ALL OTHERS	6	13	14	6	3	27	8	13.6

Source: Unesco (1975), *World Communications*

Note: These figures incorporate the 54 countries for which Unesco's *World Communications* details the origins of feature film imports. In many cases the total number of feature films imports is indicated, but incomplete details are provided for country of origin. This is unlikely to distort figures for the top half of the table but probably does underestimate the weight of exports from the lesser exporters in the bottom half of the table.

The least reliable figures are for imports into the three Latin American nations (Costa Rica, Mexico, Argentina), the seven African nations (Ethiopia, Madagascar, Somalia, Ghana, Ivory Coast, Sudan, Tunisia) and the six Middle-East nations (Bahrein, Cyprus, Israel, Kuwait, Egypt, Iran, Lebanon).

Mexican film exports are certainly underestimated, as are those of Egypt; this occurs mainly because sufficiently detailed data are not available from the smaller central and south American and the smaller Middle-East nations which provide Mexico's and Egypt's strongest film export markets. These discrepancies, however, merely inflate the bottom 'all others' line of the table.

For most importing nations the figures relate to 1972 or 1971, but in some cases to an earlier year - usually 1970.

Reproduced from Jeremy Tunstall *The Media Are American*.

TABLE 7

ORIGINS OF FEATURE FILM IMPORTS INTO SOME MAJOR FILM EXPORTING NATIONS,  
1971-2

Source of film imports	Feature film imports by these countries (in percentages)										
	Italy	UK	West Germany	Japan	Spain	USSR	Czechoslovakia	Mexico	Egypt	India	Hong-Kong
USA	53	52	35	49	30	—	9	49	46	69	31
Italy	*	10	22	10	22	5	7	7	20	10	14
UK	10	*	12	11	11	—	—	13	—	3	12
France <sup>1</sup>	9	11	11	11	12	6	10	7	8	5	5
West Germany	8	3	*	10	1	—	—	4	—	—	—
USA, Italy, UK, France, West Germany combined:	80	76	80	91	76	11	26	80	74	87	62
Japan	3	2	3	*	—	—	—	6	—	5	—
Spain	2	2	2	*	—	—	—	9	—	—	—
USSR	—	—	—	3	—	*	20	—	—	7	—
Czechoslovakia	—	—	—	—	—	9	*	—	—	—	—
Other Socialist countries	—	—	—	—	—	50	33	—	—	—	—
Mexico	2	—	—	—	6	—	—	*	—	—	—
Egypt	—	—	—	—	—	5	—	—	*	—	—
India	—	—	—	—	—	—	—	—	—	*	7
Total imports	100	100	100	100	100	100	100	100	100	100	100
Total imports number	261	297	290	283	398	92	142	327	357	125	483

Domestic production number	294	89	94	390	103	234	36	124	64	433	133
Total imports + Domestic production	555	386	384	673	501	326	178	451	421	558	616
Domestic Production as percentage of Domestic production plus imports	53	23	24	58	21	72	20	22	15	78	22

Source: Unesco (1975) *World Communications*<sup>1</sup>Data on French imports are not provided in this source.Reproduced from Jeremy Tunstall *The Media Are American*.