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Hollywood

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HOLLYWOOD

◆ Thomas Schatz and Alisa Perren

Any effort to assess, analyze, or even describe "Hollywood" inevitably begins with a definitional dilemma. The term *Hollywood* refers to an actual place, of course—a community north of Los Angeles that emerged, nearly a century ago, as a primary base of operations for the burgeoning American film industry. But the industry involved far more than the Hollywood environs even then, and as it continued to develop, the meanings associated with the term *Hollywood* became increasingly complex and multivalent.

Most fundamentally, the term *Hollywood* refers to three interrelated aspects of American cinema: the industrial, the institutional, and the formal-aesthetic. As an industry, Hollywood is a vast, integrated commercial enterprise with specific business practices and standard operating procedures geared primarily to producing and distributing feature-length films ("Hollywood movies"). The film industry, like most capital-intensive entertainment and media enterprises, has always tended toward an oligopoly structure—that is, a system whereby a few companies control a particular industry. This invokes the institutional aspect, in that the film industry has been dominated from the outset by a handful of movie studios—Paramount, Fox, Warner Bros.—many of which still operate and still rule the industry. During the "classical" era of the 1920s through the 1940s, the most powerful studios controlled all phases of the industry (production, distribution, and exhibition) through a vertically integrated system that mass-produced movies for a receptive mass audience. The studios lost their collective control of the industry

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during the postwar era due to a combination of factors, including antitrust litigation, the rise of independent film production, and the juggernaut of commercial television. The studios adapted and survived, and since the 1970s, they have enjoyed a remarkable resurgence and have reasserted their collective control of the so-called New Hollywood. Now the studios' film divisions produce far more than simply feature films, however, and the studios themselves are all subsidiaries of massive, transnational multimedia conglomerates such as Sony, Viacom, News Corp, and TimeWarner. But even as subsidiaries, the studios represent the "core assets" of these media conglomerates due to the enormous popularity of Hollywood movies in the global entertainment marketplace.

The widespread appeal of Hollywood movies is due not only to the studios' economic power and marketing prowess but also to the formal-aesthetic qualities of the films themselves. This third aspect of the term *Hollywood* has changed somewhat less than the industrial and institutional aspects, in that the cinematic style and narrative structure of Hollywood movies have persisted over the decades, despite the obvious need for novelty and innovation. In other words, what we call a "Hollywood movie" is much the same artifact today as it was in the late teens and early 1920s. Recent changes in Hollywood's industrial and institutional operations threaten this formal-aesthetic stability, however, due to demands of the global entertainment marketplace and the conglomerates' quest for "synergy" between their hit movie and other media-related divisions (TV, music, publishing, theme parks, etc.). But another crucial aspect of the New Hollywood, and one that may help maintain the formal-aesthetic integrity of its movies, is the parallel development of independent films and filmmaking. Throughout the 1980s and 1990s, the studios' blockbuster mentality has been offset by an unprecedented "indie boom." Consequently, the film industry has been increasingly split between big-budget, franchise-spawning, global-marketed blockbusters and low-budget "specialty films" designed for carefully targeted niche markets. Although these so-called independent films generally are produced outside the direct control of the Hollywood studios, the studios often provide financing and distribution. Thus, most indie films are scarcely independent of the Hollywood system. And in terms of style and content, independent films tend to be every bit as conservative and classical as their blockbuster counterparts.

As the entertainment industry has become an increasingly global enterprise in recent years, Hollywood continues to occupy the central role in the production and commercialization of culture. Just as classical Hollywood's domination of the movie industry a half-century ago induced critic Gilbert Seldes (1978) to say that "the movies come from America," so might one argue today that "entertainment comes from America"—and, more specifically, from Hollywood. And when one considers the widespread appeal of Hollywood movies and thus the colonization of cultural consciousness on a global scale, it is worth noting that the term *Hollywood* becomes increasingly conflated with the notion of "Americanization" (Seldes, 1978). This further complicates our definitional dilemma, particularly in the era of the New Hollywood

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with its blockbuster films, new delivery technologies, and expanding entertainment marketplace dominated by a cadre of global media conglomerates.

As even these preliminary comments should indicate, Hollywood has experienced a rich and dynamic history. The aim of this chapter is to chart that history in more detail and also to trace the efforts of film critics and scholars to make sense of it. Journalistic film criticism dates back to Hollywood's earliest years, and the film industry always has been subject to heavy coverage in both the trade and popular press. But the systematic scholarly study of Hollywood did not really take hold, interestingly enough, until after Hollywood's postwar collapse. Not until the studio system and classical era were pronounced dead, in other words, were scholars and academics ready to conduct an autopsy. And not until the emergence of the New Hollywood several decades later did "film studies" approach the status of a mature academic discipline. Much of that scholarship has looked back at Hollywood's classical era, of course, whose reputation has undergone rehabilitation over the past few decades. This is due not only to enduring appeal of Hollywood's "classic" films but also the increasingly sophisticated understanding of its interdependent industrial, institutional, and formal-aesthetic aspects—an understanding we hope to share in the pages that follow.

♦ *A Brief History of Hollywood*

The colonization of Hollywood in the 1910s actually occurred as an "independent" initiative in defiance of the industry's earliest oligopoly: the so-called Motion Picture Patents Trust, a cartel of film companies (Edison, Biograph, et al.) that controlled the patents for cameras and projectors. The Trust was broken via aggressive commercial competition and relentless legal challenges by men such as Carl Laemmle, William Fox, and Adolph Zukor—the studio pioneers and oligopolists of the Hollywood era. Meanwhile, the cinema rapidly matured into a modern business enterprise due to the combined effects of the standardization of the feature-length narrative film as the key movie commodity, the regulation and centralization of feature filmmaking in a factory-based mode of production, the development of a nationwide distribution system, and the brisk evolution from nickelodeon and storefront theaters to lavish movie palaces and downtown theaters catering to a middle-class clientele (e.g., see Balio, 1985; Finler, 1988; Jowett, 1976).

These developments fueled the emerging Hollywood film industry, although the signal factor in the formation of the Hollywood studio system, per se, was the integration of factory-based production, nationwide distribution, and first-class exhibition within individual motion picture corporations. The first of the Hollywood studios to pursue vertical integration was Adolph Zukor's Paramount Pictures, which utterly dominated the industry in the late teens. Others followed suit, and during the 1920s, a cadre of integrated companies—Paramount, MGM, Warner Bros., Fox, and RKO—became the ruling studio powers in Hollywood. A second tier of studios was occupied by Universal, Columbia, and United Artists, which were deemed "major minors"—major because they produced A-class features and had their own nationwide distribution arms and minor because they did not have their own theater chains.

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The movie industry at the time was essentially bicoastal, with the direction of capital and the control of distribution and exhibition handled out of New York, while feature films and various other commodities (shorts, newsreels, etc.) rolled off the assembly line of the West Coast studio. The cost of converting to sound film ("talkies") in the late 1920s and the subsequent economic devastation of the Depression brought Wall Street into the picture, enabling the studios to consolidate their collective—and increasingly collusive—control. The "Big Five" integrated major studios owned only about one sixth of America's theaters, but this included most of the crucial urban and downtown theaters where Hollywood did the bulk of its business. And together with the three major minors, these companies completely controlled all feature film distribution in the United States. Other studios, such as Monogram and Republic, did emerge in the 1930s but were relegated to "Poverty Row" status as producers of B-movies for secondary markets. "Major independent producers" such as Samuel Goldwyn, David Selznick, and Walt Disney also emerged, who produced A-class pictures through financing-and-distribution deals with one of the studios.

Control of the marketplace ensured the studios sufficient income to maintain production operations geared to a blend of A-class star vehicles, B-grade program fodder, and occasional "prestige pictures." Their cash flow also enabled the big studios to maintain thousands of contract employees, including "stables" of top talent—producers, directors, composers, and, most important, stars—under long-term contract. Each studio developed a distinctive personality and "house style" during the 1930s and 1940s, keyed to specific star-genre formulations that often were produced and maintained by specialized "units" of top contract talent. Warner's gangster films with Edward G. Robinson and James Cagney, for instance, or RKO's dance musicals with Fred Astaire and Ginger Rogers were essential to the company's success. They brought stability and efficiency to production operations while differentiating the studio's output; they also carried the studio's entire program of pictures (through a trade practice known as block booking) with the nation's independent theaters. Moreover, given the importance of stars (and the "star system"), these star-genre formulations were money in the bank for the studios, veritable insurance policies against box-office failure.

Collectively, the Hollywood studios developed a repertoire of genres and house styles that were variations on what has been termed *Hollywood's classical narrative paradigm* (Bordwell, 1986; Bordwell, Thompson, & Staiger, 1985). The key attributes of this paradigm are a three-act (fundamentally Aristotelian) story design of exposition, complication, and resolution; a goal-oriented protagonist whose objectives and obstacles (invariably accompanied by a secondary "love interest") define the plot line and narrative trajectory of the film; and patterns of psychological editing and "invisible narration" in which the camera work, cutting, and production design are geared to the psyche of both the central character(s) and the viewer. A combination of commercial, regulatory, and ideological imperatives induced the studios to develop narrative variations that not only generated and resolved conflict but did so in a fundamentally prosocial fashion—that is, through a "Hollywood ending" that conveyed both a moral and ideological resolution to the conflicts raised in the course of the film and one that invariably reinforced the status quo. This is not to say that all Hollywood movies blindly or naively reinforced the dominant ideology. On the contrary, many top filmmakers—writer-directors such as Billy Wilder, John Huston, and Preston Sturges, for instance, or producer-director teams David Selznick and Alfred Hitchcock—created films that were highly complex in their treatment of American ideology and whose "happy endings" were patently ironic or ambiguous. Moreover, various genres and period styles such as the women's film, the gangster and

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horror genres, and film noir did as much to flesh out and critique certain aspects of the American experience as they did to systematically reinforce the status quo.

By the late 1930s, as French film critic André Bazin (1968/1999) aptly noted, Hollywood cinema had reached a certain "equilibrium" whereby its social, economic, industrial, and stylistic aspects were in balance. Hollywood feature film output from 1939 to 1941 (generally regarded as the height of the classical era) certainly supports this view, as evidenced by such productions as *The Wizard of Oz, Gone With the Wind, Stagecoach, Mr. Smith Goes to Washington,* and *Dark Victory* in 1939; *The Grapes of Wrath, The Great Dictator, Philadelphia Story,* and *Rebecca* in 1940; and *Citizen Kane, How Green Was My Valley, The Lady Eve, The Little Foxes, Sergeant York,* and *The Maltese Falcon* in 1941.

The 1940s brought monumental changes to Hollywood, from the unprecedented wartime boom to the industry's rapid postwar decline. World War II was, in many ways, Hollywood's finest hour as a social institution, considering its contribution to the "war effort," and the studios enjoyed enormous profits due to war-related economic conditions. A key factor here was the suspension "for the duration" of the government's antitrust campaign against the Hollywood studios that had been initiated by the Justice Department in 1938. That campaign resumed after the war, however, culminating in a 1948 Supreme Court decision—the legendary *Paramount* decree, so named for the first company cited in the suit—which forced the integrated studios to sell their theater chains and also put an end to the marketing practices (block booking, blind bidding, etc.) that had enabled the eight studio-distributors to control the movie business. The *Paramount* decree effectively disintegrated the industry, forcing the studios to produce and market movies on an individual basis. This ruling, along with two other major postwar developments—namely, suburban migration (with its attendant baby/family/housing "boom") and the introduction of commercial television—brought an end to the studio system and to Hollywood's classical era. The impact of these factors on American moviegoing was swift and devastating. After peaking in 1946 at 80 to 100 million theater admissions per week (when the U.S. population was only about 130 million), attendance fell to barely half that by 1950. Although the population surged during the 1950s, theater admissions continued to fall, and "watching TV" replaced "going to the movies" as America's preferred ritual of narrative entertainment. And the studios, without the cash flow from their theaters and a tightly controlled marketplace, were forced to abandon their factory-based mass-production system, with its regular output of A-class features and its legions of contract personnel.

The studios survived the 1950s, due mainly to three distinct and eminently successful strategies. The first was their collective decision to maintain control of distribution and to cut back significantly on active production, which they left to the growing ranks of independent producers. The studios still produced films of their own, but they dramatically cut production and began to focus primarily on financing-and-distribution operations—an effective strategy that persists today. The second successful survival strategy, and another trend that continues today, was the studios' shift to "big" pictures. The 1950s saw a massive increase in the number of big-budget "blockbusters" augmented by Technicolor and new widescreen formats, from costume spectacles such as *The Robe* (1953) and *The Ten Commandments* (1956) to epic westerns such as *Shane* (1952) and *The Searchers* (1956). This burgeoning blockbuster mentality was countered, significantly enough, by independent outfits such as American International Pictures (AIP) that turned out low-budget "exploitation films" for specific target markets, particularly for the teenage crowd that flocked to rock 'n' roll films such as *Rock Around the Clock* (1956) and horror teenpics such as *I Was a Teenage Werewolf* (1957). Many of

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these films were geared specifically for the drive-in market, whose explosive growth (from virtually nil after the war to some 6,000 screens by 1960) provided yet another indication of suburban migration and the emerging teen culture, as well as of postwar America's obsession with the automobile.

A third factor facilitating Hollywood's postwar survival was the major studios' eventual coming-to-terms with television. This involved opening their "vaults" of old pictures for TV syndication and also their move into "telefilm" series production. Following the lead of Disney, which allied with ABC and produced the hit *Disneyland* series in 1954, several of the majors began TV series production in 1955, the same year that the majors began syndicating their pre-1948 films—and, in effect, began thinking of their vaults as "libraries." The most aggressive studio in terms of telefilm production was Warner Bros., which, by the late 1950s, was producing one third of ABC's primetime schedule. All the majors took the plunge by 1960, and by then, Hollywood was producing far more hours of TV programming than feature films.

Although the studios adapted both to independent film production and to the burgeoning television age, other industrial and institutional developments during the 1950s significantly altered the Hollywood landscape. The most obvious was the relocation of network production from New York to the West Coast, as well as the related shift from live video for film as the preferred primetime program format. Another was the enhanced status and authority of top talent in both the film and TV industries, particularly stars who formed their own production companies. These companies generally were created by talent agencies such as William Morris and the Music Corporation of America (MCA), whose status also changed dramatically during the postwar era. The key player here was MCA, which grew from a band-booking operation in the 1920s and 1930s to become the most powerful entertainment company in Hollywood. Indeed, the development of MCA during the 1950s and 1960s provided a template for the media conglomerates that would rule the New Hollywood, with MCA itself as the dominant industry force for the next half century.

The seeds of MCA's postwar rise were planted just before the war, when founder Jules Stein moved the agency headquarters to the West Coast and began signing movie talent. Stein's second-in-command, Lew Wasserman, oversaw MCA's Hollywood operations and became company president in 1946 at the age of 33. Wasserman was the chief architect of MCA's subsequent success, which came in three distinct areas of endeavor. The first involved top film stars, whose postwar status and income changed enormously thanks to a watershed 1949 deal between MCA and Universal Pictures for the services of James Stewart. Universal wanted the star but could not afford his usual rate of $200,000, so Wasserman and studio boss William Goetz worked out a two-picture arrangement (for *Harvey* and *Winchester '73*) whereby Stewart waived his salary in lieu of 50% of the films' profits. Profit-participation deals were scarcely new to Hollywood, but this level of participation was unprecedented, effectively making Stewart a partner with the studio on his pictures. Although other studio heads protested, Universal and Stewart reaped the benefits of the deal—the first of many such arrangements with Stewart and other stars throughout the 1950s. In fact, Stewart soon became the highest paid Hollywood actor and also one of the lowest taxed because he could sell his participation and be taxed on a capital gains basis rather than at a much higher salary-based rate.

The second strategy involved MCA's move into telefilm series production through its subsidiary, Revue Productions. This move was made possible by a 1952 agreement with the Screen Actors Guild (SAG) that granted MCA-Revue a "blanket waiver" to use SAG members in its productions, thus allowing MCA to both represent talent

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(as an agency) and also employ talent (as a producer). This exclusive deal was negotiated by Wasserman with SAG president (and MCA client) Ronald Reagan, absolving MCA of any conflict of interest and giving Revue an enormous advantage over competing telefilm producers. Revue was a resounding success and, by the late 1950s, was supplying the three TV networks with roughly 20% of their prime-time programs. MCA's third strategy involved TV syndication. In the early 1950s, the company began buying or leasing previously broadcast television series as well as feature films released before 1948. Given the uncertainty of market demand and audience taste at the time, MCA began this operation cautiously. Its first major movie syndication deal was with Republic Pictures for packages of Roy Rogers and Gene Autry westerns. But here, too, MCA's efforts were phenomenally successful—more so, in fact, than its highly profitable agency and TV production operations.

In the course of the 1950s, MCA devised ways to combine these diverse operations. Consider, for example, the case of Alfred Hitchcock. Early in the decade, Wasserman cut a lucrative deal with Paramount Pictures, giving Hitchcock a share of the profits and eventual ownership of his films (which included *To Catch a Thief, Rear Window, Vertigo,* and *Psycho*). In the process, Wasserman assembled a production unit around Hitchcock that ensured a certain consistency and stability in terms of production as well as additional income for MCA because most of the unit members were MCA clients.[1] With Hitchcock's film career set, Wasserman turned to television. He arranged with NBC to create a new series, *Alfred Hitchcock Presents,* to be produced by Revue. Here, too, Wasserman set up the deal so that ownership of the TV programs would revert to Hitchcock's company, Shamley Productions. As with the films, Hitchcock's TV shows were syndicated by MCA, which also developed various media tie-ins—a mystery magazine, multiple short-story anthologies, and so on—that further expanded the Hitchcock franchise. In the early 1960s, Hitchcock sold his stake in all of these media products to MCA in exchange for stock, making him the company's third largest stockholder (behind Stein and Wasserman) and the wealthiest filmmaker in Hollywood.

In formal-aesthetic terms, Hitchcock's case is equally instructive of Hollywood's postwar transformation. By the 1950s, he had directed hits such as *Rebecca* (1940), *Suspicion* (1941), and *Notorious* (1946), and thus both the industry and the public were quite familiar with the nature and appeal of a "Hitchcock picture" from the "Master of Suspense." With Wasserman managing his career in the 1950s, Hitchcock was able to work with top stars (and MCA clients), such as Stewart, Cary Grant, and Grace Kelly, and to make "bigger" pictures in terms of budget and spectacle—films such as his 1959 hit, *North by Northwest,* a sophisticated geopolitical romance (and prototype for the upcoming Bond cycle) starring Grant and Eva Marie Saint, which was Hitchcock's most expensive and most commercially successful film to date. Hitchcock immediately followed that blockbuster hit with a low-budget exploitation film that he considered more of an experiment and a diversion than a major project. In fact, it was shot by Hitchcock's TV series crew for roughly one fifth the cost of *North by Northwest*. The film was *Psycho,* which radically undercut the classical Hollywood narrative (with its heroine murdered halfway through the film, its oddly sympathetic serial killer, etc.), reinvented the horror genre, confounded critics, and was by far Hitchcock's most popular and commercially successful film. And although films such as *Vertigo* and *Psycho* were exposing a much darker side of Hitchcock's trademark style, the hit TV series presented a purposefully toned-down version, suitably domesticated for family consumption and doled out in weekly, 30-minute doses.

With revenues from its agency, production company, and syndication arm flowing

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in, MCA raised its sights in the late 1950s. To accommodate Revue's growth, MCA purchased the Universal City studio lot in 1959. Then, in 1962, it dissolved its talent agency (at the behest of the Justice Department) and purchased Universal Pictures along with its parent company, Decca Records, thus becoming the first modern U.S. media conglomerate. MCA-Universal flourished during the 1960s due primarily to the fit between its film and television divisions and its unparalleled syndication operation. With its expanded resources, MCA pioneered the long-form TV series format (with *The Name of the Game, Columbo,* and others) as well as the "movie of the week" format.

Although MCA's TV operations flourished in the 1960s, Universal Pictures struggled—as did all of the Hollywood movie studios at the time. The relentless pursuit of blockbusters led to huge hits such as *The Sound of Music* (1965) but also huge misses such as *Cleopatra* (1963). By the late 1960s, even box-office successes such as *Hello, Dolly!* (1969) were losing money due to their enormous budgets, and costly flops such as *Dr. Doolittle* (1968) and *Tora! Tora! Tora!* (1970) threatened to bankrupt their studio-distributors. Meanwhile, low-budget "youth market" films such as *Bonnie and Clyde* (1967), *The Graduate* (1967), *2001* (1968), *Easy Rider* (1969), *Midnight Cowboy* (1969), and *M.A.S.H.* (1970) were doing solid business—albeit with a relatively limited, countercultural audience—and sowing the seeds of a New American cinema that was, in many ways, distinctly at odds with both classical Hollywood and the mainstream audience. Consequently, the movie industry found itself in a deep recession in 1969–1970, as movie studio stock values plummeted. The undervalued studios thus were prime takeover targets, resulting in a merger-and-acquisition wave that saw Gulf & Western acquire Paramount, Kinney National Services acquire Warner Bros., Transamerica acquire United Artists, and real estate magnate Kirk Kerkorian acquire MGM.

The studios began to rebound in 1972–1973, when *The Godfather, American Graffiti, The Sting,* and *The Exorcist* proved immensely popular with both the youth market and mainstream audiences. The turning point for the industry came with the 1975 release of *Jaws* by Universal, a watershed hit that pioneered the summer blockbuster and used a groundbreaking nationwide "saturation" marketing and release campaign.[2] Aesthetically, the film combined New American cinema stylistic techniques with classical Hollywood conventions. Complementing the film's wide release and extensive use of television advertising were marketable stars, a popular blend of genres, merchandising and marketing hooks, and striking visuals—all characteristics, according to Justin Wyatt (1994), of high-concept films. The $125 million-plus in North American rentals for *Jaws* reaffirmed more than just the effectiveness of blending cinematic styles and genres. In fact, it demonstrated that "high-concept" movies—movies that, according to Steven Spielberg, could be summed up in 25 words or less (and could be effectively marketed in 30-second TV ads)—were the most profitable and reliable business prospects for the studios. The explosive growth of shopping center multiplexes, combined with the studios' increasing expenditures on network TV advertising, further fueled the drive toward saturation marketing-release campaigns. Although marketing costs rose in the process, so did box-office returns, as one film after another began to hit the $100 million mark in domestic grosses during the late 1970s and early 1980s.

Films such as *Star Wars* (1977), *Superman* (1978), and *Raiders of the Lost Ark* (1981) not only brought in large profits for their studio-distributors but also launched lucrative multimedia "franchises"—entertainment product lines geared to a blockbuster movie hit. Along with the income generated by a widening array of product tie-ins, the studios also enjoyed additional revenues from the emerging video and cable markets.

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The "home video revolution" started with the introduction of the Sony Betamax VCR in 1975, the same year that HBO introduced the pay-cable "movie channel." Basic cable was just beginning its ascent as well, and by the late 1970s, Ted Turner's Atlanta-based WTBS station would start the "superstation" trend with its then-novel combination of satellite with cable, providing still another significant new outlet for movies.

Cumulatively, these mid-1970s developments dramatically altered Hollywood's industrial practices as well as the aesthetics of its films, auguring a new era in media entertainment that was dubbed the "New Hollywood" by various critics and media scholars and that overwhelmed the New American cinema of the late 1960s and early 1970s. That earlier period of creative ferment had been heralded as a veritable Hollywood renaissance, due especially to the rise of a new breed of filmmakers such as Mike Nichols, Robert Altman, Arthur Penn, Martin Scorsese, and Hal Ashby. In the later 1970s, however, the complex interplay of economic, aesthetic, and technological forces sent the movie industry in a very different direction. As Anderson (1994), Balio (1996), Schatz (1993, 1997), and Wyatt (1994) all concur, the New Hollywood emerged via high-concept blockbusters that were financed and distributed by the major studios. The studios' power increased exponentially through the 1980s and 1990s with the stabilization of the blockbuster trend and the rise of an increasingly diversified, globalized "entertainment industry" in which motion picture operations represented only one component of the vast conglomerates that owned the studios. This New Hollywood, which still continues to evolve, consists of tightly diversified and horizontally integrated media companies focused on exploiting synergies between their various publishing, film, television, videogame, merchandising, and music divisions.

Indeed, we might view the 1980s and 1990s as a period when Hollywood's institutional structure fundamentally changed due to the combined forces of deregulation, conglomeration, and globalization. This began during the 1980s, when the corporate giants of the 1960s, such as Gulf & Western, Transamerica, and Kinney National, either got out of the entertainment business or reorganized their operations through a combination of downsizing, regrouping, and selling unprofitable divisions. Transamerica sold its controlling interest in United Artists, for example, whereas both Kinney (owner of Warner Bros.) and Gulf & Western (owner of Paramount) shed their nonentertainment divisions to focus on media-related ventures. Meanwhile, the quest for synergy across different "software" divisions intensified. Disney broke with its "family entertainment" tradition to create more "mature" films such as *Down and Out in Beverly Hills* and *Pretty Woman* through its new Touchstone division, for instance, and Warner Bros. moved into videogames through the purchase of Atari. Another tactic involved studio mergers with deep-pocketed conglomerates, which were motivated by the widening array of media technologies and "delivery systems" and facilitated by Reagan-era deregulation. In 1986, Rupert Murdoch's News Corporation purchased Twentieth Century Fox and, within months of the purchase, created a fourth U.S. broadcast television network. Later, two Japanese technology giants bought movie studios in an effort to wed a "software" producer to their established "hardware" divisions; Sony bought Columbia-TriStar in 1989, and Matsushita purchased MCA-Universal in 1990. The entry of Sony, Matsushita, and Australian-owned News Corp. also underscored the increasingly global stakes involved in the expanding entertainment industry and the eagerness of foreign investors to have a stake in Hollywood.

Of course, the "Hollywood" being invested in was not a Hollywood of film studios. In this Hollywood, television and motion picture divisions were fundamentally intertwined—a longstanding impulse

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that now, thanks to deregulation, had become a veritable requirement of industry survival. Though intended to benefit independent television producers by fostering a more competitive environment in television, the rolling back of media regulation ultimately benefited the studios (and their parent companies), which were better able to finance television productions and to exploit hit programs through their syndication divisions. In the emerging multichannel universe, ever-increasing profits could be generated from television production, but the established "Big Three" TV networks were unable to reap the full benefits. The launch of the Fox TV network also signaled a moment of crisis in the television industry, as all three TV networks changed ownership and management in 1985–1986 due in large part to these broad economic, technological, and regulatory changes. The churn in the television and cable industries steadily intensified, and the network upheaval that began in the mid-1980s reached a peak with the Telecommunications Act of 1996, which gave a broad-based federal sanction to the deregulatory trends of the previous decade. This act coincided—although it was hardly a coincidence—with yet another merger-and-acquisition wave in the mid-1990s involving various major players in the television arena. Disney purchased ABC, Viacom purchased CBS (along with Paramount, Blockbuster, MTV, and Nickelodeon), and Time-Warner purchased Turner Broadcasting. In addition, Warner Bros. and Paramount created two new "netlets"—cable networks—in the form of the WB channel and UPN (Aufderheide, 1999; Holt, 2003).

The dozens of new television channels put an increasing emphasis on narrowcasting and niche programming. Not only were shows increasingly targeted to specific demographic groups (Fox's *Martin* for African Americans, ABC's *Sabrina the Teenage Witch* for young adults), but entire cable channels were being developed for specific age groups, ethnicities, and lifestyles. Among the biggest success stories was Viacom's MTV, which turned several of its successful cable TV programs into hit feature films. The half-hour MTV animated cartoon/music video hybrid *Beavis and Butthead* (1993–1997), for instance, generated the feature-length film, *Beavis and Butthead Do America* (1996), through another Viacom subsidiary, Paramount. Thus, the franchise mentality that pervaded film began to dominate the television environment as well, as entertainment conglomerates sought new ways to exploit popular products and create new "brands" across the company's various divisions.

Nowhere was this strategy more apparent than with the high-concept "event" film. From the release of *Jaws* to *Jurassic Park 3* (2001), the marketing and distribution strategies of the major studios evolved substantially. At the time of its release, the $12 million-budgeted *Jaws* opened on a record-setting 464 screens nationwide. By the time of *Jurassic Park 3*'s release a quarter century later, neither its $93 million budget nor 3,434-screen opening was out of the ordinary. Perhaps more striking about *Jurassic Park 3* was its absence of top talent either behind or in front of the camera—although Steven Spielberg's brand name was behind the film itself. The selling points for this film—along with so many other high-concept film and television products—were its spectacle, its special effects, and its "presold" status.

The rise of the big-budget blockbuster brought other important changes in Hollywood's market strategies and hence its motion picture output. As conglomerates continued to focus on franchise-scale films, their studio subsidiaries placed less emphasis on the standard star-genre fare that defined the classical Hollywood studio system. As the average motion picture budget approached $50 million by 2002, with an additional $30 million in marketing costs, the studios became less inclined to finance the kinds of "mainstream" comedies, mysteries, and romances that had been standard during the studio era. Occasional

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exceptions such as *Jerry Maguire* (1996) and *A Beautiful Mind* (2001) indicated that there was a strong market for more routine A-class star vehicles, as long as a star such as Tom Cruise or Russell Crowe was "attached." But the economics of the New Hollywood generally encourage either big-budget or low-budget production. Indeed, the industry has become increasingly bifurcated, with the majority of releases falling at either end of the budget spectrum.

This trend began in the late 1970s and early 1980s, when the studios' blockbuster impulse was countered by a number of companies that began to distribute low-budget films with smaller, character-driven stories targeted to specific niches such as African Americans, gays and lesbians, and art-cinema connoisseurs. Further fueling the trend were new avenues for film financing such as foreign presales, as well as additional avenues of distribution such as video and cable. Thus, as mogul-auteurs such as Spielberg and Lucas dominated high-end Hollywood, a new crop of indie-auteurs, including Jim Jarmusch, Spike Lee, John Sayles, Gus Van Sant, and Joel and Ethan Coen, staked out the low-budget independent realm. During the 1980s, independent filmmakers and distributors remained on the margins of the industry, as successful independent films such as the Coen brothers' *Blood Simple* and Sayles's *Brother From Another Planet* (both 1984) brought in a few million dollars at the box office, whereas most earned far less. Yet many films (and their directors) established themselves with a number of critics and moviegoers, particularly through film festivals, which were growing in number and attendance during this time.

The turning point for Hollywood's independent movement came in 1989. At the time, only a select few independent companies—notably New Line, Miramax, and Samuel Goldwyn—were faring well in the uncertain, marginal world of "indie" financing and distribution. A few films such as *Hairspray, Drugstore Cowboy,* and *Henry V* had done well in 1988–1989, but the real breakthrough film was Steven Soderbergh's *sex, lies and videotape,* a $1.1 million production that generated close to $25 million at the North American box office alone and took the festival circuit by storm. *sex, lies and videotape* demonstrated to many in the industry and the press that there was money to be made in the "quality" film business, particularly with the kind of skillful marketing that Miramax gave Soderbergh's film. The film's success put Miramax at the forefront of the American independent movement, a position it would maintain throughout the 1990s. Indeed, the fate of Hollywood's independent film world paralleled that of Miramax, which became the shaping force in the production, marketing, and distribution of low-budget films and filmmaking. Moreover, the string of subsequent Miramax hits, including *The Grifters* (1991), *Reservoir Dogs* (1992), *Passion Fish* (1992), and particularly *The Crying Game* (1992), led to another defining event in the New Hollywood's industrial and institutional development. In April 1993, Disney purchased Miramax. As an indie subsidiary, Miramax maintained its existing management while enjoying quasi-autonomy status and access to Disney's vast resources, financial and otherwise. And the deal gave Disney prestige at a relatively low cost, as well as additional product for its voracious pipeline.

The purchase of Miramax by Disney started a trend, and by the late 1990s, every studio had at least one niche division geared toward producing low-budget, "indie," or "art house" features. Generally speaking, these films were characterized by genre blending, a high degree of stylization, excessive sex or violence, an emphasis on dialogue and character development over plot, and name talent working "on the cheap." Landmark films of the era included *The Piano* (1993), *Pulp Fiction* (1994), *The Usual Suspects* (1995), *Boogie Nights* (1997), and *Good Will Hunting* (1997). Some studios had an additional division oriented toward low-budget "genre" fare,

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specifically horror films (*Scream,* 1996), urban comedies (*A Thin Line Between Love and Hate,* 1996), science fiction (*Mimic,* 1997), and teen romances (*She's All That,* 1999). Although some studio-based divisions such as Fox Searchlight, Paramount Classics, Miramax, and Fine Line readily exploited the label of "independence" for the purposes of marketing and publicity, others, such as Dimension, Screen Gems, and New Line, took a more aggressively commercial tack. And even as the term *indie* became synonymous with edgy, hip, and cutting-edge cinema, it lost much of its meaning as anything beyond a marketing tool.

Thus, by the early 2000s, the lines between art house and multiplex, alternative and commercial, independent and mainstream Hollywood were utterly blurred in both industry and press discourse. And despite the bifurcation of movie product between mass-marketed blockbusters and niche-marketed, low-budget films, the industry was more integrated and, in a sense, more "balanced" than it had been since the classical Hollywood era. This was a function of conglomerate control, however, which would cause as much concern and controversy for critics and scholars as the "studio system" had a half century earlier.

♦ *Hollywood and Film Studies*

Film studies as a distinct academic and scholarly discipline, especially in terms of autonomous departments and advanced degrees, is a relatively recent phenomenon, dating back to the 1960s and 1970s, although intellectuals and scholars from other disciplines have been teaching and writing about film—and specifically about Hollywood—since the early years of American cinema. The earliest writings of any real consequence about the cinema appeared in the mid-teens and focused primarily on the aesthetics of film as theorists and intellectuals debated its nature and status as an art form. The most significant of these was poet Vachel Lindsay's (1915) monograph, *The Art of the Moving Picture,* which staked a claim for cinema as a new and distinctly democratic art that combined traditional forms such as painting, sculpture, and architecture into a completely new form of expression. Another important early study, *The Photoplay: A Psychological Study,* was written by Hugo Munsterberg (1916), a professor of psychology at Harvard who saw film as a significant new form due to its unique capacity to "objectify mental processes" via camera work, cutting, and narrative construction. Manuals for screenplay construction also emerged at this same time, including *The Art of Photoplay Making* by Columbia literature professor Victor O. Freeberg (1918; see also Koszarski, 1990, pp. 95–97).

This debate about "film art" continued in the 1920s, as theorists and filmmakers from outside the United States began writing about cinema and specifically about Hollywood, including Sergei Eisenstein (1991) in a series of brilliant essays on "American montage." In the United States, business schools began to examine the cinema's industrial and economic aspects, most notably perhaps in a series of lectures organized at Harvard's MBA school, which resulted in a 1927 anthology, *The Story of the Films,* edited by the organizer of the lecture series, Joseph P. Kennedy (Boston banker and film financier, later cofounder of RKO Pictures, and father of JFK). In the 1930s, the academic discourse about Hollywood was dominated by sociologists and social scientists, who were increasingly concerned with the "effects" of movies on audiences, particularly children. Among the more notable assessments were two 1933 publications: the Payne Fund's *Motion Pictures and Youth* (Charters, 1933), a reasonable scholarly treatise based on a 5-year study by a group of respected researchers, and Henry James Forman's alarmist diatribe, *Our Movie-Made Children,* which

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held Hollywood responsible for a host of social woes.

A few years later, at the height of Hollywood's classical era, two cogent scholarly studies significantly advanced this social science approach. *Hollywood: The Movie Colony, the Movie Makers,* a 1941 best-seller, was sociologist (and later screenwriter) Leo Rosten's analysis of the mores, attitudes, and lifestyles of the film community. Mae D. Huettig's *Economic Control of the Motion Picture Industry,* published in 1944 (and based on her doctoral thesis at Pennsylvania University, funded by the Rockefeller Foundation), examined the institutional structure and economic practices of the Hollywood studio system. A much less sanguine industry analysis was written at about this time by Max Horkheimer and Theodor W. Adorno (1972), two German exiles residing in the L.A. environs, ironically enough. During the war, they composed their influential Marxist analysis of mass culture, *Dialectic of Enlightenment,* which included the groundbreaking essay, "The Culture Industry: Enlightenment as Mass Deception"—a savage critique of Hollywood movies and other forms of popular entertainment. This study helped spark the so-called "mass culture debates" that raged during the postwar era and engaged such leading U.S. intellectuals as Gilbert Seldes (1978), Dwight Macdonald (1961), and Robert Warshow (1962). In 1950, anthropologist and UCLA professor Hortense Powdermaker wrote *Hollywood: The Dream Factory,* a less pessimistic view of both the filmmaking process and films themselves as manifestations of contemporary social values and conditions. An even more adept analysis of Hollywood filmmaking was written at the same time by Lillian Ross (1952), whose book *Picture* (based on a series of *New Yorker* articles) traced the making of a single movie, *The Red Badge of Courage,* and provided a compelling inside look at MGM during Hollywood's panic-stricken postwar free fall.

The most significant writing about Hollywood during the 1950s came from Europe, particularly from a group of young critics in Paris writing for *Cahiers du Cinéma* under editor André Bazin (see Browne, 1990). This included François Truffaut, Jean-Luc Godard, and others who, as filmmakers a few years later, would create the French New Wave. The *Cahiers* critics formulated the *politique des auteurs,* a polemical view of commercial cinema—and most notably Hollywood—that posited the director as "author" of his or her films. The *Cahiers* critics also preferred the dynamic vitality of Hollywood genre films to the ponderous "quality" of literary adaptations and prestige pictures. Thus, John Ford was valued more highly for *Stagecoach* and *The Searchers* than for *The Grapes of Wrath* and *How Green Was My Valley.* More important, these critics championed as important *auteur* filmmakers such as Hitchcock and Howard Hawks, routinely dismissed by American critics as commercial hacks. Other European critics picked up the auteur chant, particularly the young Turks writing for *Movie* in Britain. Then, in 1962, American critic Andrew Sarris (1962–1963) wrote "Notes on the Auteur Theory in 1962" for the journal *Film Culture,* setting off a firestorm of critical and cultural debate. By decade's end, when he published *The American Cinema: Directors and Directions, 1929-1968* (1968), Sarris had transformed *auteurism* from a polemic to "a theory of film history" and had thoroughly won over the growing ranks of American cinephiles.

The auteur theory, especially as it was presented and promoted by Sarris, provided a conceptual schema and critical approach that rendered film studies safe for academia—and not just as a sidelight for scholars in other disciplines but as a field of study unto itself. Current changes in the film industry lent additional credence to this approach, notably the international art-cinema movement, with filmmakers Antonioni, Fellini, Bergman, Kurosawa, and Truffaut enjoying widespread success in the United States. By the late 1960s, as noted above, Hollywood was experiencing its own "new wave," as

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directors such as Arthur Penn, Mike Nichols, Paul Mazursky, and Robert Altman were heralded as auteurs in their own right, and "film schools" in New York and Los Angeles began producing a new generation of filmmakers such as Francis Ford Coppola, George Lucas, Brian DePalma, and Martin Scorsese, who were fiercely committed to an auteurist aesthetic.

A crucial complement to auteurism in the 1960s and 1970s was genre study. Indeed, the industrial and economic nature of Hollywood meant that the majority of its canonized auteurs were genre directors, and some of the most significant writing about Hollywood cinema at the time—Jim Kitses's (1970) *Horizons West,* for instance, and Peter Wollen's (1972) *Signs and Meaning in the Cinema*—focused on the interplay of authorship and genre. Although auteur-oriented genre studies often displayed a limiting literary and elitist bias, important intellectual movements in Europe promised to radically transform genre theory—and media studies generally. These centered on structuralism and semiotics—notably, the structural anthropology of Claude Lévi-Strauss (1963) and the theory of semiology (a "science of signs") proposed by Swiss linguist Ferdinand de Saussure (see Bally, Sechehaye, & Riedlinger, 1986). The two intellectual strains developed in tandem and posited a very different view of culture, language, the arts, mythology, and virtually all other forms of human communication. In essence, structuralism and semiotics viewed culture not, as Matthew Arnold (1993) and academic traditionalists would have it, as "the very best of what's been thought and said" but rather as "lived experience" itself, manifested in the myriad rituals, stories, social institutions, and other rule-bound (hence "structured") signifying systems that constitute everyday life. This view was refined by a cadre of European intellectuals, including Roland Barthes (1972), Louis Althusser (1984), Umberto Eco (1994), Jacques Lacan (1977), and Christian Metz (1974, 1982), who reconceptualized human interaction and cultural expression with profound implications for the study of popular cinema.

Whereas early structuralism and semiotics tended to emphasize cinematic codes and conventions, later "poststructuralist" developments shifted the emphasis to both the process of interpretation ("decoding" films) and the "subject"—that is, the individual spectator. The feminist and civil rights movements were pertinent here, in their apt insistence that different cultural constituencies (different "reading formations" or "interpretive communities") tend to decode and deconstruct texts in very different ways—even Hollywood film texts designed to be read effortlessly and consistently by an undifferentiated mass audience. Perhaps the single most significant scholarly publication in this area was Laura Mulvey's "Visual Pleasure and Narrative Cinema," published in 1975 in the British film journal *Screen,* which combined feminist and psychoanalytic approaches to formulate an indictment of Hollywood cinema whose influence would be felt for years to come. Mulvey's argument, simply stated, focused on the narrative, stylistic, and technological practices through which Hollywood films systematically reinforced a sociocultural system wholly invested in patriarchal authority and phallocentric desire. Although Mulvey herself would later pull back from the somewhat strident claims of her groundbreaking essay, clearly she struck a chord with a wide range of film students and scholars, feminist or otherwise.[3]

With the growth of cultural studies and multiculturalism during the 1980s, Hollywood provided an endless supply of convenient targets for various minorities and marginalized groups, thanks to the fundamentally conservative (if not reactionary) ideology of many of its films. Douglas Kellner (1997), Michael Ryan and Kellner (1988), Susan Jeffords (1994), and Thomas Doherty (1988) were among the media analysts who employed a cultural studies perspective in their wide-ranging analyses of the 1980s Hollywood product,

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exploring the "dominant" Hollywood ideologies and also the means by which both media producers and audiences responded to these ideologies. Cultural studies seemed a useful analytical tool for many scholars in part because of its diverse theoretical and methodological approaches. From its initial formulation by Raymond Williams (1958), E. P. Thompson (1963), and Richard Hoggart (1957) in the 1950s and 1960s through its later development by the Birmingham Centre in the 1970s and 1980s, cultural studies was continually reinvented and reformulated, incorporating structuralism, feminism, race theory, postcolonial theory, poststructuralism, hegemony theory, discourse analysis, and postmodernist theory as necessary to suit the particular object of study. Similarly, the terrain of cultural studies proved malleable and fertile; industry, text, and audience were all viewed as viable subjects for the cultural studies scholar.

The unifying element across this diverse field of cultural studies was the belief that culture is a terrain of struggle and contestation, where battles over how society is defined and controlled are evident in the texts and practices of everyday life. Among the primary ways that cultural studies enriched media studies during the 1980s was through its analysis of the relations of power and the social and cultural contexts within which people view the "dominant" Hollywood product. In the Reagan-era Hollywood, during which cultural studies came of age in the United States, this perspective enabled scholars to interrogate the ideologies present in Hollywood films such as *First Blood* (1982), *Conan the Barbarian* (1982), and *Sudden Impact* (1983), which exemplified Hollywood's tendency to privilege a reactionary White male authority figure at the expense of less empowered groups.

Although a cultural studies framework was occasionally applied to analyses of the Hollywood mode of production during the 1980s (in Todd Gitlin's 1994 work on prime-time television production, for example), more frequently the approach was used to explore consumption practices and text-reader relationships. The classic in this area was John Fiske's (1989) work, *Understanding Popular Culture,* which suggested ways that people exercised agency in their daily lives as they consumed Hollywood product. Although such "reader-oriented" perspectives were initially perceived as a crucial political move on the part of cultural studies scholars, soon the prevalence of such analyses—at the expense of exploring institutional agency and other industry-related topics—brought the field under attack both from those working within the cultural studies tradition (in Meaghan Morris's 1996 polemical essay "Banality in Cultural Studies," for example) and from those working outside a cultural studies framework.

Critical political economists actively countered the consumption-oriented cultural studies scholars during the 1980s by focusing on questions of institutional power rather than on popular responses to media texts. North American political economists such as Vincent Mosco (1996) and Robert McChesney (1993) and their European counterparts, including Nicholas Garnham (1995) and Peter Golding and Graham Murdock (1991), although differing on a number of key points, agreed that communication scholars had a responsibility to analyze and evaluate how specific modes of production and relations of power shape in determinate ways the terrain on which cultural practices take place (Kellner, 1997, p. 71). European critical political economists retained a more explicitly Marxist political orientation, arguing that viable solutions to social inequalities could not be found by working within the contemporary capitalist system; thus, the Hollywood film industry has not been central to their concerns about cultural production. North American political economists, on the other hand, took a slightly different tack that centered more directly on popular cinema, specifically on the Hollywood film industry. Although equally critical of

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capitalism, the latter group nonetheless accepted its continued existence and therefore sought reforms within the system. A primary goal of scholars such as Mosco (1996) and McChesney (1993), as well as Herbert Schiller (1989) and Noam Chomsky (see Peck, 1987), was to demonstrate how transnational media (which in their work were often synonymous with Hollywood) were exploitative and undemocratic (Mosco, 1996, p. 19). The standard remedy within this school of thought was the pursuit of public policy measures to facilitate the redistribution of resources.

There has been a general tendency among critical political economy scholars working with media to treat Hollywood as a monolithic (and fundamentally oppressive) entity. However, a number of scholars, including Janet Wasko, Eileen Meehan, and Thomas Guback, have retained their critical edge toward Hollywood while more closely and carefully interrogating the industry's processes and practices. For example, Wasko's (1994) book, *Hollywood in the Information Age,* was useful in exploring how Hollywood accommodated and incorporated new technologies into its production, distribution, and exhibition processes from the 1970s to the 1990s. Although coming from a critical political economy perspective, Wasko also incorporated ideas from media economics and cultural studies into her analysis. Media economics developed into a fruitful subdiscipline of political economy studies during the 1980s. As practiced by such individuals as Alan Albarran, Barry Litman, James Owers, and Alison Alexander, this field incorporates elements of micro- and macroeconomics and industrial organization theory into the study of entertainment practices (Albarran & Chan-Olmsted, 1998; Alexander, Owers, & Carveth, 1998; Litman, 1998). Since the 1980s, Douglas Gomery has been among the most prolific media economists writing about Hollywood. His work spans the whole history of Hollywood and covers the entire range of its industrial practices, from studio-era production/distribution (*The Hollywood Studio System,* 1986) to the history of exhibition (*Shared Pleasures,* 1992) to broader institutional operations (*Who Owns the Media?* [Compaine & Gomery, 2000]).

The cumulative influence of cultural studies, critical political economy, and media economics has been considerable. From the 1970s to the present, the challenge for those working in film studies has been to incorporate and integrate these approaches into historical and critical analyses of contemporary media. The evolution of film studies in the past quarter century has been a bumpy one, as scholars have attempted to strike a balance between industrial/institutional analyses and textual/interpretive studies (and, by extension, between social scientific and humanistic theories and methodologies). The efforts of film studies scholars have been further complicated by developments both inside and outside the academy: From within, television studies has forced film studies to broaden its framework; from without, the emergence of new technologies, the integration of media industries, and the consolidation of (global) entertainment conglomerates have posed continued challenges to the field.

Film studies began this evolution in the mid-1970s with significant advances in film history, which until then was little more than a journalistic enterprise that chronicled Great Films by Great Men. Two books published in the mid-1970s, Garth Jowett's (1976) *Film: The Democratic Art* and Robert Sklar's (1994) *Movie-Made America,* propelled these advances not only in their integration of economic and industrial factors into the historical analysis but also in their efforts to situate Hollywood within the larger social and cultural context. A few years later, Robert C. Allen and Gomery's (1985) concise historiographic treatise, *Film History: Theory and Practice,* argued that the study of Hollywood should integrate aesthetic, economic, sociological, and technological research. Few historians have accomplished this, however—not even

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Gomery himself in his invaluable (if limited) monograph, *The Hollywood Studio System* (1986), which surveyed the industrial, institutional, and economic landscape of American cinema in the 1930s and 1940s.

Another key contribution to film history in the mid-1980s was *The Classical Hollywood Cinema: Film Style and Mode of Production to 1960,* by Bordwell et al. (1985). At once a conservative and somewhat radical treatment of classical Hollywood, this book argues quite convincingly that the narrative and stylistic "paradigm" of classical American cinema was in place by the late teens—by 1917, to be precise—and only then did the studio system develop as a means to systematically reproduce the paradigm and also, crucially, to constrain innovation and variations on that model. These and other books moved well beyond the naive auteurism of the 1960s but without abandoning the concept of directorial authorship altogether. Indeed, they recognize that the director's personal style and vision are vital to the success of a film but that these elements must be factored into a highly complex equation when the collaborative complexities and institutional authority of Hollywood studios are involved.

These reassessments of Hollywood were written at the same time, interestingly enough, that the studios were returning to power (albeit as subsidiaries of massive conglomerates) and as new technologies such as cable and home video were delivering an ever-expanding array of classic films to an increasingly cine-literate audience—insistently reminding us, in other words, of the creative vitality and efficiency of classical Hollywood. Meanwhile, media conglomeration underscored the fundamental connectedness of various entertainment media, particularly film and television. And thus it is scarcely surprising that television studies rapidly emerged as a distinct discipline—or rather, as a subdiscipline of media studies alongside film studies—and that scholars began to examine the vital interdependence between the two, an interdependence that had eluded film historians for decades. Michele Hilmes's (1990) *Hollywood and Broadcasting* and Christopher Anderson's (1994) *Hollywood TV* were important, indeed imperative, interventions into both U.S. film history and also our basic conceptualization of "the media" as industrial, economic, and cultural forms in American life. Although conglomeration and globalization encouraged many scholars to regard contemporary media (and their products) as manifestations of the postmodern condition, Hilmes and Anderson suggested that this condition is as old as the media industries themselves.

Although some scholars attempted to make cultural studies more relevant by reconciling political economy and cultural studies approaches, others proposed a wholesale overhauling of cultural studies. In yet another effort to make cultural studies more engaged with regulatory and industrial issues, a group of Australian and British media scholars began to advance cultural policy studies in the late 1980s. As initially defined by Tony Bennett (1998) and Stuart Cunningham (1992), and later amended by Tom O'Regan (1992) and Toby Miller (1998), cultural policy studies raised a number of ideas, values, and analytical strategies that incorporated textual and institutional analysis into the study of media and provided a useful theoretical frame through a reinterpretation of Foucault's concept of governmentality. In addition, cultural policy studies enabled a way of visualizing the possibility for change "within the system" via a reformist politics that kept issues of power at the forefront of analysis. Cultural policy research also addressed ethical considerations concerning the roles and responsibilities of academics and media scholars.

Not until fairly recently has a cultural policy approach been taken up by North American scholars and applied to American media industries. A significant early effort appeared in 2002, in a collection of essays edited by Lewis and Miller (2002) under the title *Critical Cultural Policy Studies*. This publication signals the growing

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interest among U.S. media scholars in a policy-based approach, although this remains a remarkably difficult endeavor in an era of deregulation and conglomeration. The challenge for academics in the United States involves finding ways to develop cultural policy analysis within a context in which policy tends to be set internally by media conglomerates. American media scholars face an additional challenge as they attempt to become involved in media regulation because of the ways in which, historically, they have been marginalized in public policy discussions. This differs dramatically from Britain and Australia, where there is more direct interaction between government and industry and where the academy has a longstanding tradition of contributing to the public sphere.

♦ *Conclusions: Industry Trends and Research Priorities*

Despite the obvious applicability of both cultural policy and political economy analysis to Hollywood, particularly to the New Hollywood of the past two decades, American film scholars are just beginning to use these approaches effectively. Moreover, media scholars have yet to integrate these approaches into a coherent conceptual and analytical schema, which seems not only advisable but also absolutely essential in light of recent (and current) conditions. And despite qualifying both approaches with the term *critical,* neither devotes sufficient attention to the creation, composition, and meanings of media products themselves. If we define Hollywood, as suggested at the outset, as a synthesis of industrial, institutional, and formal-aesthetic forces, then in our view, the integration of political economy and cultural policy approaches, in a method that is in fact critical and is properly sensitive to the economic and regulatory environment, may well provide the tools necessary to examine and understand the New Hollywood. In concluding this chapter, we briefly sketch out our rationale for such an assertion.

As mentioned above, a policy-oriented approach to contemporary Hollywood requires significant modification of the schema developed in Britain and Australia, given the twin forces (and governing ideologies) of media deregulation and free-market capitalism in the United States since the 1980s. U.S. media policy has been shaped primarily by the economic policies, market strategies, and corporate customs of the media industrialists themselves—with the implicit endorsement of the federal government. Thus, policy studies of Hollywood further require a political economy approach attuned not only to the patterns of ownership but also, crucially, to the complex and ever-shifting relations of power in the New Hollywood. The interrelated effects of deregulation, conglomeration, diversification, and globalization have transformed both the structure of the U.S. entertainment industry and the conduct of its dominant institutions.

As mentioned above, the studios are now subsidiaries of global media conglomerates, but they assume a privileged position vis-à-vis both the parent company and its other divisions due to the tremendous importance of blockbuster hits and movie-driven entertainment franchises, as well as the syndication value of filmed entertainment throughout the global media marketplace. And because TimeWarner, Sony, News Corp, Disney, Viacom, and the other media conglomerates are all configured somewhat differently, it is challenging indeed to gauge the position and relative importance of their Hollywood holdings—including the studios themselves and their various film-related subsidiaries. As of 2003, TimeWarner, for instance, included Warner Bros., the New Line and Fine Line indie subsidiaries, several Turner (TBS) television and cable channels, the WB cable channel, HBO, and still other operations (see Chapter 15, this volume).

Further complicating matters, particularly since the mid-1990s, has been the massive

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impact of digital technology, both actual and anticipated, on Hollywood—and on the U.S. economy in general. New technologies and "delivery systems" have been crucial throughout Hollywood's history, of course, and cable television and home video were key incentives in the merger-and-acquisition waves of the late 1980s and early 1990s. The ensuing digital revolution that accompanied the rapid emergence of the Internet, e-commerce, and the "new economy," along with the Holy Grail (for Hollywood) of media "convergence" and online delivery of filmed entertainment, led to further media industry realignments. The most notable of these was the merger of AOL (America Online) and Time-Warner in early 2000, whose initial $150 billion price tag well indicates both the overheated state of the new economy and the overinflated valuation of online delivery. The value of the merger would fall precipitously over the next several years with the collapse of the "new economy" and the general downturn of the U.S. economy. These developments brought new cries for regulation and dramatic shifts in the relations of power within the media industries.

This underscores, yet again, the need for an analytical approach to Hollywood—and to media in general—that integrates both a political economy and a cultural policy perspective. And because these industrial, institutional, technological, and economic factors dramatically affect media products, including Hollywood movies, this analytical approach also should entail a "critical" perspective that takes formal-aesthetic factors into account. Indeed, this dimension of film and media studies, particularly those addressing the New Hollywood, has been sorely lacking. Although scholars examining classical Hollywood have become increasingly adept at integrating these various factors into a coherent analysis of the industry and its products, remarkably few studies of postclassical Hollywood have done so. Christopher Anderson's (1994) *Hollywood TV* and Justin Wyatt's (1994) *High Concept* do indicate that such an approach is altogether possible, however, and that studies will be forthcoming of "film style and mode of production" (following Bordwell et al.'s 1985 analysis of classical cinema) within the New Hollywood's larger industrial and institutional context.

To be properly attuned to the structure of contemporary Hollywood and the nature of its products, analysts would do well to avoid reductive assumptions about studio production and the products themselves and to acknowledge the remarkable—and, in many ways, unprecedented—complexity of current media conditions. More specifically, analysts might note several interrelated paradoxes that pervade current media production and that effectively govern the New Hollywood. The first of these paradoxes involves the bifurcation of movie products between big-budget blockbusters designed for global consumption, on one hand, and the production of niche-market films for specialized and relatively sophisticated markets, on the other hand. This invokes a second paradox involving the concurrent expansion and fragmentation of media markets, as Hollywood designs products for both global and niche-market consumption. These markets involve actual consumers and active audiences, whose "citizenship" in a range of communities—global, regional, national, local, and so forth—is increasingly a function, for better or worse, of media consumption. This paradoxical role of citizen/consumer speaks to a related paradox involving Hollywood itself as both an international and a distinctly American phenomenon. Finally, we might note a more general paradox involving not only media products, markets, and consumers but the Hollywood studios and their parent conglomerates as well, and that has important implications regarding the political economy of the New Hollywood. That governing paradox is this: The increasing concentration of media ownership on a global scale has coincided with, and in fact has directly entailed, the increasing fragmentation of markets and audiences, the diversification of media products,

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and the demands for critical media consumption on the part of individuals.

Given these conditions, we might be thoroughly dismayed or somewhat encouraged about the prospects for Hollywood in the new millennium. But whatever one's general view, we cannot help but marvel at Hollywood's remarkable adaptability and at the persistence of the cinema as America's dominant culture industry and defining art form. This demands, however, that film scholars and media analysts be as adaptable as the culture industry we examine and that we develop "ways of seeing" the media and its products that discern both the complexity of the industry and the ongoing appeal of its products.

♦ Notes

1. The principal members of the Hitchcock unit were cinematographer Robert Burks, editor George Tomasini, composer Bernard Herrmann, costume designer Edith Head, assistant director (and later associate producer) Herbert Coleman, and writer John Michael Hayes.

2. *Jaws* exploited the saturation marketing tactics pioneered by such independent distributors as American National Enterprises (ANE) and Sunn Classics.

3. For the original article, see Mulvey (1975); for her later thoughts on the topic, see Mulvey (1989).

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