

The History of Cinema and America's Role in It:
Review Essay of Douglas Gomery and Clara Pafort-
Overduin's *Movie History: A Survey*

Gary Jason
California State University, Fullerton

The book under review is an expanded and updated new edition of a book that was originally published a decade ago.¹ The authors, Douglas Gomery and Carla Pafort-Overduin, have written a clear, comprehensive, and compelling history of cinema that is wonderfully useful as a reference text for philosophy and film courses, and as a main text for history of film courses. The book has some problems, however, which I will explore after I summarize its contents.

The first section of the book (Chapters One through Five) discusses the silent era (1895-1925). The first chapter appropriately explores the earliest era of film, looking at the basic innovations. These innovations included magic lanterns (such as the 1861 patented kinematoscope), George Eastman's celluloid-based film, the Lumiere brothers' cameras and projectors, and Edison's early crucial role in spreading the new technology. The authors also review the early era of film distribution and exhibition, through channels such as Vaudeville, fairs, and the nickelodeon.

In Chapters Two and Three, Gomery and Pafort-Overduin discuss the early success of Hollywood, from the rise of the major studios and special venues ("picture palaces," or large movie theaters) in 1917. They note a point to which I will return in due course, namely, that from roughly 1920 to 1950, the major Hollywood studios not only produced America's films, but distributed and exhibited them (in their own movie theaters) as well.

In fact, as the book explains, Hollywood came to dominate the worldwide market for motion pictures because of a number of key innovations. First, Hollywood early on came up with an audience pleaser: the feature length film (i.e., one about two hours long). This rapidly replaced the Vaudeville theater ten-minute shorts by around 1910.

Second, motion-picture producers quickly learned that audiences were drawn to certain actors—the "movie stars"—who could bring in the

¹ Douglas Gomery and Clara Pafort-Overduin, *Movie History: A Survey*, 2nd ed. (New York: Routledge, 2011).

largest audiences. This is known colloquially as the “Star System.” The star system was in fact a surprising discovery: It might seem that any group of talented actors could make a film as well as any other group (and so sell the same number of tickets), but experience quickly showed that this wasn’t the case. So, for example, one of the earliest super-stars, Mary Pickford, saw her *per week* salary rise from \$100 in 1909, to \$175 in 1910, then \$1,000 in 1914, \$2,000 in 1915, \$10,000 in 1916, and hit an astounding \$15,000 in 1917.

Third, Hollywood developed the studio system. The public’s appetite for new feature films was exploding, and only by organizing film production into centers—with filming done “out of order” and then edited into proper sequence, as well as being done in large lots with sets and props that could be reused endlessly—could this burgeoning market for film be satisfied. In effect, the authors recognize that the film industry *industrialized*, using the division of labor and “factory” approaches to ramp up production (as industries had done since the industrial revolution started 150 years earlier). However, there was much more to the studio system than what the authors note, a point upon which I will return at the end of this review.

Fourth, the Hollywood film industry rapidly explored and then exploited worldwide distribution. It was from its youth an industry geared toward globalization. As the authors note, World War I (WWI) curtailed film production in France and Italy, so by the end of the war Hollywood was shipping its product throughout Europe and the rest of the world. By the 1920s Hollywood was by far the largest producer and distributor in the world. This global reach was only fortified by the coming of sound movies.

Fifth, the studio producers soon grasped the fact that cinema—unlike, say, the peep-show—is a social art form. It is typically best appreciated while viewed in a group setting. The development of large, comfortable, even opulent theaters soon followed, equipped with air-conditioning, well-appointed auditoriums utilizing large screens, readily available food and drinks, and luxurious décor. So, for example, after Paramount bought out the Balaban and Katz chain of movie palaces, by 1931 two million people a day on average attended Paramount movie screenings (p. 51). This is remarkable, considering that the population of the time was only about 124 million (many of whom were young children), that Paramount was only one of a five major studios, and that the American economy was mired in an economic depression.

Finally, sixth, by 1921, Hollywood producers had developed a popular narrative style that proved to be readily understandable and enduringly popular with audiences both at home and abroad. The authors call this the “Classical Hollywood Narrative Style,” and give an especially nice explanation of it in Chapter Three. Of special value is their observation that this narrative style moved cinema distinctly away from the style common in the presentation of theatrical plays.

Also in Chapter Three the authors review the directorial style of crucial early American directors (D. W. Griffith, Cecil B. DeMille, John Ford, King Vidor, William Wellman, Raoul Walsh, and Frank Borzage), some

European émigré directors (Ernst Lubitsch and F. W. Murnau), as well as important early movie stars (such as Charlie Chaplin and Buster Keaton).

Chapter Four discusses the international film industry of the same era (essentially, the first two decades of the twentieth century). The authors give us nice surveys of Swedish Realist Cinema, French Experimentalist cinema (including Cubist film, Dadaist film, and Surrealist film), and also French Impressionist cinema (including discussions of the early French directors Abel Gance, Marcel L'Herbier, Louis Delluc, and Germaine Dulac). They also review in some detail German Expressionist cinema, including the rise of the largest German production and distribution company, UFA (the Universum Film AG), and important early German directors (Ernst Lubitsch, Fritz Lang, F. W. Murnau, and G. W. Pabst).

Chapter Five covers the early history of Soviet film. While Russia had a nascent film industry prior to the Communist revolution of 1917, it was very small. With the Communist takeover, film came in for special scrutiny. V. I. Lenin stated at the outset of his regime's reign that, "Of all the arts, for us [the new Soviet government] the cinema is the most important."²

And indeed, the Communist regime moved quickly to nationalize and control the industry. It created propaganda films with inter-titles minimized (because of the widespread illiteracy and large number of languages spoken in the country) and the narrative burden put upon the visual elements. A new venue—the agitation-propaganda trains ("agit trains") toured the country presenting lectures, theatrical shows, and these propaganda movies. After the nation fell into economic crisis, the Soviet government allowed Hollywood films to be imported again, and a few small independent studios were allowed. This latitude ended when Stalin consolidated power (around 1934).

The authors cover in detail both the styles of early Soviet cinema (notably, constructivism and Soviet montage) as well as the major early Soviet directors, including Lev Kuleshov, Dziga Vertov, Esther Shub, V. I. Pudovkin, and Alexander Dovzhenko. They appropriately give the most attention to the greatest early Soviet director, Sergei Eisenstein. They review his most important movies, *Strike* (1925), *The Battleship Potemkin* (1925), *Ten Days That Shook the World* (1928), and *The General Line* (1929).

In the second section of the book (Chapters Six through Eight), Gomery and Pafort-Overduin cover what they term the Hollywood studio era (1928-1950). In Chapter Six, the authors recount the coming of sound to cinema. A number of approaches to recording sound were tried, starting as early as 1907, but it was only by the mid-1920s that there were two viable sound technologies—one invented by the American Telephone and Telegraph Company, the other by General Electric Laboratories (in conjunction with the Radio Corporation of America). Between 1926 and 1930, Hollywood completely converted to "talkies"—cinema with sound.

² Cited in *ibid.*, p. 114.

This consolidated the business success of the major studios, both within the domestic market and abroad. The five major studios at this point were Paramount, Loew's/Metro-Goldwyn-Meyer (MGM), Fox (later Twentieth Century Fox), Warner Brothers, and Radio-Keith-Orpheum (RKO). The major studios were "vertically integrated": they produced, distributed, and exhibited their products in their own theaters. There were five "minor" studios—Universal, Columbia, United Artists, Monogram, and Republic—bringing the total number of Hollywood studios to ten.

The authors cover, in considerable detail, the major movies and actors who were responsible for the rapid increase in movie attendance during the 1930s and 1940s. They also recount the adjustments the industry made in order to survive the two major socio-economic shocks of that period, namely, the Great Depression and World War II (WWII).

In Chapter Seven, the authors discuss what they call the "first golden age" of Hollywood movies. The Classical Hollywood Narrative had to be modified to accommodate sound. With the coming of sound, not only were many of the old genres (westerns, swashbucklers, war films, dramas, comedies, horror films, and science fiction) enhanced, but new ones emerged, including the gangster film and film noir, and most significantly the musical (a type of movie not possible before the coming of sound).

The authors review many of the major films in each of the genres during this period. The authors also review the major industry figures of Hollywood in the era, including: producers (such as Sam Goldwyn and David O. Selznick); cinematographers (such as Gregg Toland, James Wong Howe, and Ernest Haller); costume designers (such as the legendary Edith Head); film editors (such as MGM's Margaret Both); scriptwriters; and film composers (especially Bernard Herrman). But the authors devote the bulk of the discussion to the great directors of the period: Howard Hawks, John Ford, Frank Capra, Alfred Hitchcock, Fritz Lang, Ernst Lubitsch, Billy Wilder, and the difficult but brilliant Orson Welles. They finish by discussing the rise of color and the U.S. Supreme Court ruling that forced the Five Majors to sell off their theater chains.

In Chapter Eight, the authors review the developments in the foreign industries during this period. They cover notable French directors (Rene Clair, Jean Vigo, Jean Renoir, and Marcel Carne) and major British cinema figures (producers Alexander Korda and Michael Balcon, directors Alfred Hitchcock and Noel Coward, and actors Gracie Fields and George Formby). They then briefly discuss the German film industry, which was under Nazi control by 1933, and began at that point to produce purely entertainment and propaganda movies until the end of the war.

Gomery and Pafort-Overduin discuss in more detail the Italian film industry of the era. Benito Mussolini set up a complex of studio buildings, Cinecittà, which functioned as a heavily subsidized alternative to Hollywood. Cinecittà churned out many films, hitting thirty feature films in 1933, then sixty in 1938, ninety in 1941, and three hundred a year from 1942 to 1944, all under fascist control. From 1945 until the 1950s, there was a flourishing of

Italian films, with first-rate directors such as Roberto Rossellini, Luchino Visconti, and Vittorio De Sica. Their approach to film came to be called Neo-Realism.

In the third section of the book (Chapters Nine through Twelve), the authors take up what they call the Television Era (1950-1977). In Chapter Nine, Gomery and Pafort-Overduin talk about the changes wrought to the American film industry in the 1950s. The studios had to deal with the rise of television (by 1957, most American homes had one or more TV sets), at a time when the federal government had disallowed their being able to exhibit their own films. It also had to adjust to the increasing move of middle-class American families to the suburbs. That these changes were challenging, indeed, to the movie industry is proven by the ticket sales: by the 1960s ticket sales were only half of what they were during WWII, and thousands of movie theaters closed.

The authors add that another change the studios had to deal with was the new explosion of technologies in wide-screen color cinematography. The studios, losing audience share to TV (in which they were banned from being involved), moved to tempt audiences back by visual presentation that TV could never match. The authors discuss the new color technologies (Cinemascope, VistaVision, Panavision, etc.), the decision of the studios to allow their past films to be shown on TV, and the effects that such changes had on the various Hollywood studios during this period.

Chapter Ten continues the discussion of the changes that Hollywood experienced in the 1950s and 1960s, focusing particularly on the great directors of the period: Alfred Hitchcock, Howard Hawks, Sidney Lumet, Franklin Schaffner, Stanley Kubrick, Otto Preminger, John Huston, Stanley Kramer, John Ford, Anthony Mann, Budd Boetticher, Sergio Leone, Fritz Lang, Sam Fuller, Don Siegel, Vincente Minelli, Frank Tashlin, and Douglas Sirk. The authors also cover the coming of the “blockbuster” in the 1970s, with the work of the new directors Francis Ford Coppola (though curiously omitting his interesting piece *The Conversation*), Steven Spielberg, and George Lucas.

In Chapter Eleven, Gomery and Pafort-Overduin review the European “art cinema” of the time. This includes the French New Wave cinema created by directors such as Alain Resnais, Francois Truffaut, and Jean-Luc Godard. Also discussed is the New German Cinema due to directors such as Rainer Werner Fassbinder, Wim Wenders, and Werner Herzog. Then there were directors who worked outside of the “new wave” movements, including Jacques Tati, Robert Bresson, the extremely important Ingmar Bergman, Luis Bunuel, Federico Fellini, Michelangelo Antonioni, and Bernardo Bertolucci.

In Chapter Twelve, the authors review—again, with admirable scope—the alternative film industries in the Soviet Union, Eastern Europe, South America, Australia, and Japan. They cover the work of: Andrei Tarkovsky in the Soviet Union; Andrzej Wajda, Andrzej Muk, Jerzy Skolimowski, and Roman Polanski in Poland; Milos Forman, Vera Chytilova,

and Jiri Menzel in Czechoslovakia; Zoltan Fabri, Andras Kovacs, and Miklos Jancso in Hungary; and Dusan Vukotic, Alexander Petrovic, Zivojn Pavlovic, and Dusan Makavejev in Yugoslavia. They also cover Latin American films (with special focus on Argentinian director Leopoldo Torre Nilsson), Australian cinema (including the work of directors Bruce Beresford, Peter Weir, George Miller, and Gillian Armstrong), and conclude with a review of the major Japanese directors (Akira Kurosawa, Kenji Mizoguchi, and Yasujiro Ozu).

In the fourth (and final) section of the book (Chapters Thirteen and Fourteen), Gomery and Pafort-Overduin cover what they term the “video to digital era” (1977-2010). In Chapter Thirteen, the authors survey recent world cinema, focusing on China (including the work of directors Chen Kaige, Zhang Yimou, and Zhang Yang) and Hong Kong (including the major Hong Kong studios—Shaw Brothers, MP&GI, and Golden Harvest Film Company—along with directors and stars Bruce Lee, Jackie Chan, John Woo, and Wong Kar-Wai). After a brief discussion of the Danish director Lars von Trier and the Dogme 95 approach to film, the authors discuss in more detail the Indian film industry. India has produced about 800 films annually in twenty-two different languages since the 1980s, and the authors discuss the directors Manmohan Desai, Raj Kapoor, Sanjay Leela Bhansali, and Karan Johar. They also discuss the losses in ticket sales experienced especially by Hong Kong and India due to the rise of the VCR and the ease of watching recent films at home.

In Chapter Fourteen, the authors conclude by discussing the most recent trends in the six major Hollywood studios (Universal, Disney, Paramount, Sony Entertainment, Warner Bros., and Twentieth Century Fox), and how they are adjusting to the home video (DVD) distribution channel. They conclude by reviewing independent filmmaking and the endurance of the Classical Hollywood Narrative Style.

Gomery and Pafort-Overduin have produced a compendium of cinematic history that is extremely factually accurate. The only minor factual error I noted in the book was the statement that (the regrettably underrated) actor Steve McQueen got his start in the TV series “Have Gun—Will Travel.” In fact, “Have Gun—Will Travel” starred (the also underrated) actor Richard Boone. McQueen’s early TV series was “Wanted: Dead or Alive” (1958-1961).

More worrisome than who is in this comprehensive history is who is left out. I am puzzled that the authors spend a fair amount of space on the relatively obscure French director Jean Vigo, but barely even mention—much less discuss in the lavish detail they accord Steven Spielberg—the truly great director Sir David Lean.

Lean (1908-1991) was a man of cinematic parts. He was a screenwriter, film editor, director, and producer. He directed an astonishing number of fine films, including: *Great Expectations* (1946), *Oliver Twist* (1948), *The Passionate Friends* (1949), *The Sound Barrier* (1952), *Hobson’s Choice* (1954), *Summertime* (1955), the amazing *The Bridge on the River*

Kwai (1957), the superb *Lawrence of Arabia* (1962), the excellent *Doctor Zhivago* (1965), *Ryan's Daughter* (1970), and *A Passage to India* (1984).

Of these, *The Bridge on the River Kwai*, *Lawrence of Arabia*, and *Doctor Zhivago* surely rank among the greatest movies ever made. Lean has an amazing ability to make a movie work on every level from the sensory (the level of visual power and musical score), to the literary (the level of character development, plot, story line, and dialogue), to the philosophic (the level of ideas explored). He has more movies in the British Film Institute's list of the 100 greatest British films ever made than any other filmmaker (with seven of his films making the list).

Many of Lean's films starred one of the greatest actors of all time, Alec Guinness—not mentioned in the book.

Part of the problem here is that the authors don't distinguish as clearly as they ought between cinema as an art and as a medium of entertainment. Ironically, this distinction was recognized early on in Hollywood: the first Academy Awards in 1929 gave *Sunrise* the top award for "Unique and Artistic Production," and the film *Wings* won for "Outstanding Picture, Production." Unfortunately (in my view at least), starting the next year and continuing to today, the two categories were fused into the "Best Picture" award.

By a movie's having "high artistic merit" I mean that it is rich in its literary quality and deep in its philosophic content. Artistic quality encompasses, among other features, how interesting the dialogue is, how vivid and realistic the characters are, how important the story is, how accurate the history is, and how deep the philosophic insights or how stimulating the intellectual challenge is in the film. Films high in entertainment value tend to be ones that work primarily on the sensory level.

The point here is that some directors (such as George Lucas and even Steven Spielberg) tend to create great entertainment films, but less so films of great artistic achievement. Other directors (such as Orson Welles) tend to create films of great artistic achievement, but of limited entertainment value (at least as reflected in ticket sales). Lean could accomplish both to a very rare degree.

Please note that I am in no way denigrating film as entertainment. The great power of cinema to entertain is nothing short of a blessing for people worldwide. Providing amusement and diversion for audiences is a valuable service—especially for pre-literate or illiterate audiences—and considering how inexpensively the service has traditionally been rendered, it is all the more praiseworthy.

Moreover, producing highly entertaining movies is no easy matter. Remember the amazement you felt upon first seeing *Star Wars* or *Raiders of the Lost Ark* for the first time, and compare it to the feeling you had watching the countless boring, bland, and insipid "entertainment" films you have seen, and you can readily appreciate the talents of the Lucases and Spielbergs.

But we equally need to appreciate that the qualities of being generally entertaining and artistically compelling are separate qualities. A film

can be highly entertaining but devoid of artistic quality, can be high in artistic quality but devoid of entertainment value, or it can (on rare occasions) be high in both.

Of course, a film can also be (on not so rare occasions) devoid of both. Such movies are often called by movie critics “bombs” or “turkeys.”

However, the most regrettable feature of the Gomery and Pafort-Overduin book lies in its presentation as fact what are in truth ideological claims, and questionable ones at that.

The two most important such ideological positions (both I suspect shared by many if not most film scholars) are, first, a positive view of the use of governmental protectionism to “help” national film industries, and second, a negative view of the Hollywood studio system. Both of these views are interrelated, and both are worth critically examining.

Gomery and Pafort-Overduin make it clear repeatedly that they favor other countries protecting their own film industries. Here are just a few quotations that illustrate this support:

Other countries had to struggle, not simply to please their native fans, but to somehow “better” Hollywood which had become the de facto world standard. Hollywood by international control defined the state of world cinema. From this economic power base, Hollywood would define appropriate standards of film style, form and content. In chapter after chapter of film history we shall see the effects of the Hollywood international distribution monopoly.

For example, prior to the war, Germany had been a leader in standing against Hollywood imports. Even after losing the First World War, the German film industry held off Hollywood until 1923. That year German films held a 60 percent market share, the USA 25 percent and the rest of the world 15 percent. Then Adolph Zukor began to pressure the German government to open its market place; German exhibitors backed Zukor. In a year, the change was remarkable. German producers’ share of the market dropped to less than half the exhibition market share—all lost to Hollywood. (p. 45)

During the 1920s the only other European national film industry that could compete with Hollywood was found in Germany. Even before the rise of Adolph Hitler, the federal government supported a German film industry to provide films that could woo audiences away from Hollywood. German films were popular amongst German audiences and the German film industry flourished until 1926 when its most noted filmmakers (Ernst Lubitsch, Fritz Lang and F.W. Murnau) left for Hollywood. (p. 99)

The recovery of the Soviet film industry was made possible with the profits made on the distribution of foreign films. Lenin’s long-term goal was to dominate screens all across the vast nation. But that

would not happen until three years after Lenin's death in January 1924. (p. 115)

But as Italians re-took control of their government [at the end of WWII], they passed laws to support native movie production. . . . Taxes on Hollywood imports created a pool of monies to support native filmmaking. In addition, a quota effectively reserved 25 percent of screen time in Italian theaters for native films. Hollywood imports fell by 50 percent, and Italy began to reclaim its native screens. Italian producers could draw on this fund, which the government regularly augmented. Italy, more than Germany or Great Britain, effectively subsidized its native film industry, guaranteeing Hollywood would be kept in check. (pp. 216-17)

In 1970 the Australian Parliament established the Australian Film Development Office to allocate governmental funds to provide assistance to film . . . producers. There was simply no way to compete with Hollywood unless the national government helped. (p. 341)

Still, unlike Europe, Indian films held a 93 percent share of the total number of local screenings. Hollywood always was a very minor player in India because the national government protected native production. (p. 379)

But I doubt that most economists would agree with the authors that protectionism helps any industry in the long term, or the consumers even in the short term.

Consider by analogy the American auto industry. The U.S. had an early advantage in the development of automobiles (specifically, early exploitation of the factory system, ready availability of oil, and so on). However, this didn't stop other countries in the world, especially Japan, Germany, England, and (later) South Korea, from developing their own auto industries, which proved to be well able to compete with American—so much so that by the 1970s the American automakers were demanding and receiving protection from the Evil Foreigners. During the time they received the protection, the quality of American cars stagnated and the American consumer was worse off. Only the pressure of competition forced the American automakers to improve the quality of their products.

So one question to put to Gomery and Pafort-Overduin is whether it might not well be the case that the attempts by various governments—especially the French, German, and Italian ones—to protect their “authentic” home film industries from the pressure of American competition had the unintended negative effect of in fact *retarding* their development. The foreign flicks of decades past were often “artsy” in the worst sense of the word: talky, hard to follow, pretentious, with crude cinematography and other technical

features, and accordingly with limited appeal. Over the last decade or two in particular, foreign movies have improved dramatically in production value, and now compete quite effectively in the global marketplace. Could it be that allowing directors to pursue only their own preferences in filmmaking without having to consider the audience's preferences was in fact not good for either the audiences or the directors themselves?

Indeed, the authors seem inadvertently to concede this point themselves in the first quotation above, since they acknowledge that theater owners in Germany in the 1920s *supported* Hollywood's efforts to open up the German film market. The exhibitors surely wouldn't have done this if they thought the public didn't want so many Hollywood movies.

Moreover, countries such as Japan and Hong Kong—which did not so strongly protect their national film industries—nevertheless developed cinema that have succeeded quite well commercially.

Another question the authors might have considered is whether the strong governmental involvement with the national film industry in such a country as Germany might not have facilitated the takeover of that industry by the government later.

As to the second ideological position that informs the book, the authors certainly hold that the Hollywood film industry prior to the 1948 U.S. Supreme Court ruling was a monopoly that deserved to be broken up. A number of quotations illustrate this:

The coming of sound solidified Hollywood's control over the world market and moved the United States into the studio era in which filmmaking, film distribution, and film exhibition were dominated by five corporations. They ruled Hollywood during the 1930s and 1940s and operated around the world as fully integrated business enterprises. The Big Five owned the most important movie theaters in the United States. By controlling picture palaces in all of America's downtowns, they took in three-quarters of the average box-office take. Only after they granted their own theaters first-run and soaked up as much of the box-office grosses as possible, did they point smaller, independently owned theaters to scramble for the remaining bookings, sometimes months, or even years, after a film's premiere. (p. 143)

In 1938 Hollywood behaved as a monopolist that would last forever. As a result the US government sued the theater-owning Hollywood studios for anti-trust violations and in 1948 the US Supreme Court ruled that [the five major studios] must sell their theaters. Through the 1930s and 1940s these five major studios owned the USA and determined which film played first, for how long, and in which theaters. Until 1948 the Five divided up the USA into lucrative territories and made sure that movies were first shown in their theaters. (p. 192)

The antitrust case against the eight major Hollywood studios had its origins in the administration of President Franklin D. Roosevelt (1933-1945) but only came to a final conclusion in May 1948. In Roosevelt's second term (1936-1940), he turned to enforcement of existing antitrust laws to help bring the USA out of the Great Depression. Independent exhibitors had long complained of Hollywood's domination of film exhibition in the USA. Get Hollywood out of the theater business, they argued, return control of theaters to hometown merchants, and the producers would begin making good, clean, family movies. In July 1938 President Roosevelt ordered his Department of Justice to initiate an antitrust suit charging [the studios] with multiple violations of the antitrust laws. Hollywood lined up the best lawyers for what turned out to be a ten-year struggle.

Each side maneuvered for advantage. In 1940, the government and the major companies seemed to have come to an agreement. Both signed a consent decree which lasted three years. The government backed off from prosecution; the eight major Hollywood studios promised to eliminate certain abuses of power, and take to arbitration more fairly disputes between the major studios and independent exhibitors. But with the prosperity of the war years, Hollywood grew too rich, too brazen. Independent exhibitors saw millions of dollars flow directly to Hollywood-owned theaters, away from their own box-offices. The independents complained loudly and bitterly and the government re-opened the case. Hollywood felt confident it could win a court battle, but Hollywood was wrong. . . .

Consequently, in 1949, after all possible appeals had been exhausted and all extensions granted, RKO and Paramount agreed to sell their theaters. Warner Bros. and Twentieth Century-Fox stalled, hoping for a return to the prior status quo, but eventually spun off their theater chains in the early 1950s. Loew's, the parent corporation of MGM, struggled and resisted at every turn. Final divorcement was not reached until March of 1959 (pp. 236-37)

Once the Supreme Court ruled against the Hollywood majors in May of 1948, the FCC declared the major Hollywood companies ineligible for the prized television licenses because they were part of a convicted industrial trust. Hollywood's dream of ownership and direct control of television never materialized. The motion picture industry had to seek other ways to deal with a world of suburbanites staying home to have families and watch television. (p. 238)

Gomery and Pafort-Overduin seem to take it as obvious that the Five Majors were a monopoly colluding to harm the consumer, and that their federally forced divestiture of their distribution and exhibition arms was good for the

film industry, the cinema as art form, and the film-watching public. However, the only bit of evidence they offer for these huge claims is that right after the forced divestiture, one of the minors was able to cut a deal with movie star Jimmy Stewart to do the (hardly classic) Western *Winchester '73* (1950) because it could book the film in major theaters.

Again, let me probe their perspective here a bit. First, just because the Supreme Court ruled in favor of independent theater owners hardly makes it right. The U.S. Supreme Court has not infrequently issued arguably bad rulings—most notoriously the 1857 *Dred Scott* decision.

Second, what definition of “monopoly” is (and was) being employed in this case? A monopoly implies that one company illegitimately comes to dominate a market. But how can *ten* companies, all competing for ticket sales in a tight economy—none colluding in setting prices, stopping new companies from forming, hiring new actors, devising new genres, opening their own theater chains, and so on—be considered a monopoly?

Third, there are legitimate monopolies. In particular, natural monopolies are clearly morally (and often legally) permissible. In a natural monopoly, a company comes to dominate a market simply because it produces such a superior or generally useful product that the consumers voluntarily come to adopt it universally. One thinks here of Microsoft, whose operating system caught the public’s favor (though it was not necessarily superior to the alternative systems offered by Apple and others), and was pursued for years by the federal Justice Department on anti-trust allegations. Might it not be the case that the Five Majors simply had happened upon the key innovations first, and would have in time lost market share naturally?

Fourth, the authors never consider whether the Hollywood studio control over the major movie theaters would have been altered or even dissipated with the wave of suburbanization that occurred after WWII. For that matter, the authors—who themselves note that ticket sales during this period plummeted by half—never consider whether the studios would have built movie theaters in the suburbs as well, if the government had allowed the majors to keep their exhibition channel.

Finally, and most importantly from the view of cinematic art, in depriving the Five Majors of their right to derive downstream income from their own movies in their own theaters, could it be the case that the Supreme Court as an unintended negative consequence really hurt the artistic quality of American cinema? Let’s see if I can first offer evidence for this supposition, and then suggest a plausible explanation for it.

Below I have a table of the American Film Institute’s (AFI’s) list of top 100 American films, based upon such features as critical recognition, popularity over time, historical importance, and cultural significance. I have listed the films identified in the 1998 list and the update from 2007 (with a decade of new films that qualified, thus pushing some of the old ones off the list). I break them down by decade, and give the average U.S. population and Gross Domestic Product (GDP) figures for each.

| Decade | AFI films | American population average (millions) | American GDP average in billions of 2005 dollars |
|-----------|--|--|--|
| 1910-1919 | <i>The Birth of a Nation</i> (1915) <i>Intolerance</i> (1916) | 99.1 | n/a |
| 1920-1929 | <i>The Gold Rush</i> (1925) <i>The General</i> (1927) <i>Sunrise</i> (1927) <i>The Jazz Singer</i> (1927) | 114.6 | n/a |
| 1930-1939 | <i>All Quiet on the Western Front</i> (1930) <i>Frankenstein</i> (1931) <i>City Lights</i> (1931) <i>King Kong</i> (1933) <i>Duck Soup</i> (1933) <i>It Happened One Night</i> (1934) <i>A Night at the Opera</i> (1935) <i>Mutiny on the Bounty</i> (1935) <i>Swing Time</i> (1936) <i>Modern Times</i> (1936) <i>Snow White and the Seven Dwarfs</i> (1937) <i>Bringing Up Baby</i> (1938) <i>Gone With the Wind</i> (1939) <i>Mr. Smith Goes to Washington</i> (1939) <i>Stagecoach</i> (1939) <i>The Wizard of Oz</i> (1939) <i>Wuthering Heights</i> (1939) | 127.7 | 898 |
| 1940-1949 | <i>Fantasia</i> (1940) <i>The Grapes of Wrath</i> (1940) <i>The Philadelphia Story</i> (1940) <i>Citizen Kane</i> (1941) <i>The Maltese Falcon</i> (1941) <i>Sullivan's Travels</i> (1941) <i>Casablanca</i> (1942) <i>Yankee Doodle Dandy</i> (1942) <i>Double Indemnity</i> (1944) <i>The Best Years of Our Lives</i> (1946) | 141.8 | 1,736 |

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|-----------|---|-------|-------|
| | <i>It's a Wonderful Life</i> (1946) <i>The Treasure of Sierra Madre</i> (1948) <i>The Third Man</i> (1949) | | |
| 1950-1959 | <i>All About Eve</i> (1950) <i>Sunset Boulevard</i> (1950) <i>An American in Paris</i> (1951) <i>A Place in the Sun</i> (1951) <i>A Streetcar Named Desire</i> (1951) <i>The African Queen</i> (1951) <i>12 Angry Men</i> (1951) <i>High Noon</i> (1952) <i>Singin' in the Rain</i> (1952) <i>From Here to Eternity</i> (1953) <i>Shane</i> (1953) <i>On the Waterfront</i> (1954) <i>Rear Window</i> (1954) <i>Rebel Without a Cause</i> (1955) <i>Giant</i> (1956) <i>The Searchers</i> (1956) <i>The Bridge on the River Kwai</i> (1957) <i>Vertigo</i> (1958) <i>Ben-Hur</i> (1959) <i>North by Northwest</i> (1959) <i>Some Like it Hot</i> (1959) | 165.3 | 2,441 |
| 1960-1969 | <i>Psycho</i> (1960) <i>Spartacus</i> (1960) <i>The Apartment</i> (1960) <i>West Side Story</i> (1961) <i>Lawrence of Arabia</i> (1962) <i>The Manchurian Candidate</i> (1962) <i>To Kill a Mockingbird</i> (1962) <i>Dr. Strangelove</i> (1964) <i>My Fair Lady</i> (1964) <i>Doctor Zhivago</i> (1965) <i>The Sound of Music</i> (1965) <i>Who's Afraid of Virginia Woolf</i> (1966) <i>Bonnie and Clyde</i> (1967) <i>Guess Who's Coming to Dinner</i> (1967) <i>In the Heat of the Night</i> (1967) <i>The Graduate</i> (1967) <i>2001: A Space Odyssey</i> (1968) <i>Butch Cassidy and the Sundance</i> | 191.3 | 3,558 |

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|---------------|---|-------|-------|
| | <i>Kid</i> (1969) <i>Easy Rider</i> (1969) <i>Midnight Cowboy</i> (1969) <i>The Wild Bunch</i> (1969) | | |
| 1970- 1979 | <i>Patton</i> (1970) <i>M.A.S.H.</i> (1970) <i>A Clockwork Orange</i> (1971) <i>The French Connection</i> (1971) <i>The Last Picture Show</i> (1971) <i>Cabaret</i> (1972) <i>The Godfather</i> (1972) <i>American Graffiti</i> (1973) <i>Chinatown</i> (1974) <i>The Godfather Part II</i> (1974) <i>Jaws</i> (1975) <i>Nashville</i> (1975) <i>One Flew Over the Cuckoo's Nest</i> (1975) <i>All the President's Men</i> (1976) <i>Network</i> (1976) <i>Rocky</i> (1976) <i>Taxi Driver</i> (1976) <i>Annie Hall</i> (1977) <i>Close Encounters of the Third Kind</i> (1977) <i>Star Wars</i> (1977) <i>Deer Hunter</i> (1978) <i>Apocalypse Now</i> (1979) | 214.9 | 5,053 |
| 1980- 1989 | <i>Raging Bull</i> (1980) <i>Raiders of the Lost Ark</i> (1981) <i>Blade Runner</i> (1982) <i>E.T. the Extra-Terrestrial</i> (1982) <i>Tootsie</i> (1982) <i>Sophie's Choice</i> (1982) <i>Amadeus</i> (1984) <i>Platoon</i> (1986) <i>Do the Right Thing</i> (1989) | 237.6 | 6,791 |
| 1990- 1999 | <i>Dances with Wolves</i> (1990) <i>Goodfellas</i> (1990) <i>The Silence of the Lambs</i> (1991) <i>Unforgiven</i> (1992) <i>Schindler's List</i> (1993) <i>Forrest Gump</i> (1994) <i>The Shawshank Redemption</i> (1994) | 265.1 | 9,235 |

| | | | |
|-----------|---|-------|--------|
| | <i>Pulp Fiction</i> (1994) <i>Toy Story</i> (1995) <i>Fargo</i> (1996) <i>Titanic</i> (1997) <i>Saving Private Ryan</i> (1998) <i>The Sixth Sense</i> (1999) | | |
| 2000-2007 | <i>The Lord of the Rings: The Fellowship of the Ring</i> (2001) | 290.3 | 12,228 |

What does this table show? It shows that while the three decades with the most AFI top-rated movies were the 1950s (with twenty), the 1960s (with twenty-two), and the 1970s (with twenty-two), they did not produce many more top films than the 1930s (with seventeen) did under the so-called monopolistic studio system. And during the 1930s, the American economy was in the worst economic depression in history, as opposed to the economic booms experienced during the 1950s-1960s, and had a much smaller population.

Furthermore, the 1980s produced only nine AFI top-rated films, and the 1990s only thirteen, while the 1940s produced thirteen. Again, this is amazing, because during the 1940s, America was in the deepest war it had seen since movies were invented, with 17 million men under arms and an economy focused on war production.

Remember that many or even most of the movies in the early 1950s were at least planned and partially developed while the old Hollywood studio system was in place. For example, MGM did not finally separate itself from its theaters until 1959, so the two greatest musicals of the 1950s, *Singin' in the Rain* and *An American in Paris* were really produced under the old studio system.

Moreover, the 1930s produced almost twice the number of AFI top-rated films as did the 1980s, when the U.S. had nearly twice the population and had 7.5 times the GDP. The 1930s produced more AFI top-rated movies than the number produced in the 1990s, and eighteen times the number from 2001-2007.

Additionally, if one looks at the list of the AFI top-rated movies during the 1970s through the turn of the twenty-first century, they seem to have many more films one would term as mainly entertainment (such as *Star Wars*, *Close Encounters of the Third Kind*, *Raiders of the Lost Ark*, or *Jaws*) or mainly culturally resonant to people of a certain age (such as *The Graduate*, *American Graffiti*, or *Easy Rider*).

In short, it certainly appears that Hollywood under the supposed studio monopoly system produced more of the greatest films per capita than in the decades since the system was ended. This is all the more remarkable when you consider the impediments the film industry faced during this period: the Depression and then WWII, the comparatively primitive technology compared

especially to the last two decades, and the fact that there was a greater degree of restriction on what could be said and shown than in more recent times.

What Gomery and Pavort-Overduin don't comment upon is the advantages the Hollywood system had, advantages that help to explain the quality of films the system produced. Let me point to just two.

Start with the fact that during the studio-system era, since the studios made money from the exhibition of the films they produced, they could afford to take more chances with new actors, directors, and genres, as well as more artistic movies. The extra income from downstream sources (ticket sales, concession sales, etc.) allowed the studios to amortize the risk over a broader income stream than in later decades. In the modern era, studios primarily make money from the production of the movie itself, so the pressure is there to produce "blockbusters," which often tend to be purely entertainment comic-book movies or endless sequels of past blockbusters.

Moreover, because the profit from distribution and exhibition was so great, the studios could work to find and develop much more new talent. The studios sent talent scouts to all of the regional and college playhouses around the country looking for new actors, and every studio had an acting school where new talent could be trained. Again, this seems different from today, where new actors seem mainly to be relatives of existing popular actors.

I am not saying that Gomery and Pavort-Overduin's ideological claims are not defensible, but simply that they should have been supported with real evidence, or at least qualified as hypothetical, and not merely taken as axiomatic.

However, despite these flaws, the book remains a valuable survey text well worth adoption.

