

HOLLYWOOD'S EMBASSIES: A CONVERSATION WITH ROSS MELNICK

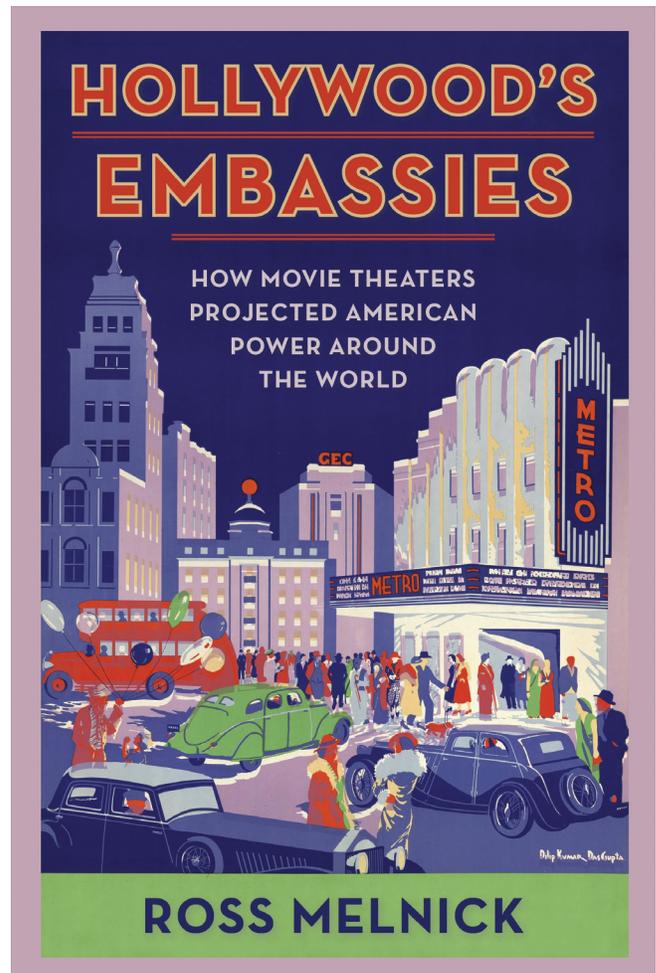
Bruno Guaraná

You may have seen Nicole Kidman last September, in a commercial for AMC theaters, stepping into an empty movie theater. “We come to this place for magic,” she says in voice-over, inviting patrons back into movie theaters after the hiatus forced by the worldwide spread of COVID-19. Pitching a return to normalcy while also emphasizing the theater’s cleanliness, safety, and, yes, magic, the commercial is also symptomatic of a delicate moment for movie exhibition.

There was a time, not too long ago, when Hollywood devised far more expensive, more aggressive, and riskier tactics than a celebrity advertisement to persuade audiences to flock to its films. From the lavish architecture and air-conditioning offered by the picture palaces of the past to the reclining seats and Dolby sound of the nineties, and to IMAX even today, film exhibition has always been about far more than just the movies themselves. Aware of the power of the moviegoing experience to contribute to profits, Hollywood invested early on in global exhibition, owning and operating theaters in strategic urban centers around the world. The political and cultural repercussions of this exhibition strategy for both Hollywood and the national film industries “invaded” by these foreign-owned movie theaters are explored in great detail by Ross Melnick in his new book, *Hollywood's Embassies: How Movie Theaters Projected American Power around the World*.

Focusing on the global expansion of Paramount, MGM/Loew’s, Fox, and Warner Bros. during 1923–2013, Melnick’s book fills a key lacuna in film history by tracing the global, dialogical, and comparative aspects of Hollywood’s exhibition network as it spread its tentacles across disparate countries. While the domination of most overseas markets by Hollywood productions is well studied, much rarer is the discussion and understanding of Hollywood’s ownership,

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control, and operation of movie theaters abroad and how these endeavors impacted and engaged with local politics, economics, and culture. Melnick breaks new ground in framing this history on a vast scale, definitively identifying both the global and local agents at play. Taking Hollywood as a point of departure for a global history of exhibition, Melnick uses this framework to reveal Hollywood’s persistent concerted efforts toward global dominion and to demonstrate, through an analysis of those efforts’ varied impacts around the world, that this expansion had much less to do with film and money than with American soft power.

Melnick refers to these American-owned-and-operated movie theaters across the world as Hollywood's cultural "embassies"—a term that highlights their ideological and imperialist function. If Hollywood has traditionally packaged its films to appeal to a presumably universal audience, Melnick's deliberate selection highlights Hollywood's position as a nonofficial extension of the US State Department. In fact, Hollywood's soft-power diplomacy, with its clear and effective ideological, political, and cultural functions, would prove particularly valuable to US efforts against Nazism and communism during the twentieth century. As Melnick playfully summarizes, Hollywood actively "sought to vertically integrate the mind of the global moviegoer, to watch American films in an American cinema in a distinctly American way and context" (11).

To achieve that goal, Hollywood developed the foreign-exhibition strategy of "shop window" cinemas. These were opulent movie houses designed not only to attract an audience through offering a luxurious, technologically advanced, and outwardly American form of theatrical exhibition, but also to encourage local theaters to upgrade their facilities and, by then charging more for their tickets, ultimately benefit Hollywood distributors. In this sense, locally owned and operated theaters were less competitors than unwilling partners in Hollywood's project of uplift domination. Melnick makes the ambitious claim that in both the filmgoing experience they offered and the industry practices they encouraged, these American-style theaters "may have had just as large an impact" as the films they screened in exporting American culture across the globe (10).

These theaters, however, were not mere replicas of American theaters; the studios understood early on that integrating familiar, local aesthetics and practices into their overseas theaters was imperative for their success. Examples abound: in Tokyo, Hollywood-owned theaters incorporated *benshi*, the famed Japanese silent-film narrators, into their screenings, while in Egypt, Fox's Cairo Palace catered to its diverse, cosmopolitan audience by accompanying its English-language screenings with slides to provide subtitles in Arabic and Greek. But despite Hollywood's efforts to incorporate national domestic culture—and sometimes even screen domestic films—this territorial "invasion" was not exactly welcomed with open arms. While exhibitors wanted to show American films, given the high demand for them, they were less keen to cede a share of their market to a foreign competitor.

As it travels across the globe—from Paris to Rio to Johannesburg to Tokyo—Melnick's book acquires an encyclopedic breadth that in no way compromises the depth

and implications of his central argument that Hollywood sold not just movies, but a culture, a lifestyle, an ideology through its global exhibition network. Split into six distinct parts, *Hollywood's Embassies* focuses on the endeavors of four major Hollywood studios in the continental regions of Europe, Australasia, Latin America, the Middle East, Africa, and Asia. Each section is organized thematically and chronologically into chapters that map the entangled interactions of these Hollywood companies in foreign exhibition markets spanning ninety years in over thirty countries. Through this structure, Melnick has produced a truly transcontinental historical narrative guided by a careful analytical perspective.

Paramount and MGM raced to build showcase cinemas in major European urban cities, setting the stage for decades of Hollywood's theatrical expansion across the world. This initial phase begins in the 1920s with MGM's renovation of the Gaumont Palace in Paris and Paramount's purchase of the Parisian Vaudeville Theater, turning it into Le Paramount—an opulent shop-window cinema that replicated the (American) aesthetics of the company's flagship theater in New York. This period of prosperity would be relatively short-lived, for as Germany occupied more of the European territory and comprehended the importance of controlling film exhibition, most Hollywood-owned cinemas disappeared from the map, to return only in the post-war period. One, however—Le Paramount—became an important site for the French Resistance in Paris after the city's occupation by the Nazis. Underground operations went undetected for a few years while the theater displayed a Nazi flag outside to maintain the appearance of conformity. Not incidentally, Le Paramount was the first theater to reopen in Paris after the war.

In Australia and New Zealand, Fox spearheaded a different strategy. Whereas other Hollywood companies established shop-window cinemas in key cities, Fox purchased and operated prominent domestic chains Hoyts and Amalgamated, "camouflaging" their American corporate ownership behind a familiar façade. In doing so, Fox prioritized market control and technological innovation over the uniquely American filmgoing experience offered by showcase cinemas elsewhere.

Of all the regions covered in the book, perhaps Latin America is where Hollywood's function as a cultural embassy is most apparent, as the continent became a key ideological battleground for Germany and the United States during the Second World War and the preceding years. In promoting democracy, consumption, and a sense of prosperity with their architectural design and the films

and newsreels they projected, Hollywood shop-window cinemas in Brazil would effectively perform “key work for the local U.S. embassy and the U.S. State Department” against German influence (162). They competed not only with the affection of Brazil’s then-dictator, Getúlio Vargas, toward the Nazi Party, but also with German-owned theaters such as the Cine Ufa-Palácio in São Paulo, which would host the Brazilian premiere of Leni Riefenstahl’s 1938 *Olympia* (162). By 1941, when Brazil officially joined the Allies and Axis films were banned from the country, Hollywood companies deployed the slogan “America Free and United” to advertise their films and promote unity across the continent. Hollywood’s cultural imperialism, inaugurated initially to counter ideological investments on the part of Nazi Germany, would go on to prove useful in the postwar fight against Soviet influence and to have a profound impact on the cultural, economic, and political development of Latin America.

In the postwar years, troubles abounded in American-operated theaters in the Middle East, especially in Egypt, where they were targets of boycotts, protests, and even terrorist attacks in response to Hollywood’s support of (and operations in) Israel. In Africa, decolonization came up against Jim Crow. Melnick relates the troubled “Europeans-only” premiere of *South Pacific* in Salisbury, Rhodesia, where the government’s policy of “multiracial partnership” was in direct conflict with Fox’s policy of racial segregation. In apartheid South Africa, Fox’s ACT theaters premiered a different version of that same film, shortened by thirty minutes by the removal of scenes featuring Black characters. Fox also invested in local filmmaking, producing films that conformed to South Africa’s institutionalized segregation. Analyzing the impact of varied racial policies in South Africa, Rhodesia, and Kenya, Melnick maintains that Fox and MGM—and, one might say, Hollywood more broadly—both facilitated segregation and racialized politics across the African continent and profited from their embrace of them.

The Asian market proved the most challenging of all for Hollywood. In Japan, earlier local praise for the presence of *benshi* in Hollywood-owned theaters turned to resentment about their dismissal upon the industry’s transition to synchronized sound. In India, the strong domestic film culture and industry (which would later become known as Bollywood) virtually insulated the market from Hollywood despite multiple offensives, the most successful of which was the Bombay Metro Cub Club, a children’s film society geared toward cultivating the next generation of Hollywood moviegoers. And in China the revolutionary

government’s ban on foreign imports in 1950 and, later, strict protectionist measures prevented a more robust Hollywood presence (with the exception of a brief period in the early 2000s). New laws forbidding majoritarian foreign ownership of exhibition companies led Warner Bros. International Theatres to definitively exit China in 2006 after a few years of an ascendant presence in Shanghai.

As Melnick notes, the example of China also serves as a fitting ending for his book, given that a Chinese exhibitor—the Dalian Wanda Group—has given Hollywood a taste of its own medicine in the last decade. While Hollywood closed many of its theaters across the world, including in the United States, Dalian Wanda swept in to purchase and upgrade some of them, turning the Chinese company into a global exhibition behemoth.

Melnick’s historical framework helps expose Hollywood’s role in both domestic and international geopolitics. Indeed, the term “cultural embassy” is neither allegory nor exaggeration; it calls attention to the ideological dimensions of film exhibition, both in the products sold to moviegoers and in the behind-the-scenes machinations engaged in by political, economic, and social agents, including State Department officials. Arthur Loew, who headed Loew’s international division, had no problem saying the quiet part out loud in 1949, arguing that the company’s theaters abroad were “selling America and American democracy overseas” (17). As Melnick’s accounts of particularly fractious moments demonstrate, local resistance would recognize these movie theaters’ cultural, economic, and political significance, often creating battlegrounds over their physical presence or exhibition practices. For all of Hollywood’s mostly uncontested supremacy in global distribution, it was, ironically, exhibition that proved the most challenging and contentious.

The publication of *Hollywood’s Embassies* follows the shuttering of theaters across the globe due to the COVID-19 pandemic as well as ever-increasing competition with media-streaming services. Yet Melnick’s book feels anything but dated. In fact, it serves as a reminder—and clear evidence—that this market has survived many crises, including world and civil wars, major legal decisions with national and international implications, and competition with other media. In the book’s final chapters, Melnick offers a glimpse of the current state of global exhibition and Hollywood’s position in it, revealing a shift in studios’ priorities. With streaming now a viable (albeit challenging) alternative to the fraught and risky business of foreign exhibition, Hollywood—or its once-major players, at least—has shown very little interest in returning to the strategies it adopted for

nearly a century. Yet, this complex history of Hollywood's insistent efforts to maintain its global reach suggests that, while the era of aggressive theatrical expansion may (or may not) be over, Hollywood's "embassies" are still busy colonizing large and small screens across the world.

BRUNO GUARANÁ: How did this project come into being, and how does it relate to your previous book, *American Showman*?

ROSS MELNICK: I began this research almost two decades ago. I was a year into my work on silent-film exhibitor and radio broadcaster Samuel "Roxy" Rothafel—the beginning of my research that later became *American Showman*—when I came across a number of articles about Loew's having sent Roxy's former colleagues at the Capitol Theatre in Manhattan to Paris to upgrade the Gaumont Palace. This breadcrumb led me to Le Paramount in Paris, and then to the hundreds of cinemas owned and operated by these increasingly global and vertically and horizontally integrated American media companies.

Whereas *American Showman* attempted to understand the formation of the convergent American entertainment industry through film exhibition, broadcasting, and music publishing and recording, *Hollywood's Embassies* looks at the American film industry's influence around the world, not only on global film exhibition and consumption but on its relationship to geopolitics, foreign relations, colonialism, cultural imperialism, and the varying duality of both local adoption and resistance.

GUARANÁ: Your book is the result of such an extensive research project. What did you look for in these different archives over the past decade, and how did you manage such an overwhelming amount of material?

MELNICK: When I started the book in earnest in 2012, I remember feeling overwhelmed by the dozen or so countries I planned to study. That number tripled over the years, while the mountain of research grew in kind. I developed a key list of archives and institutions for each country I visited: national and municipal archives; the national library; the national film archive, museum, and/or library; local cinematheques and their libraries; local historical societies; and, whenever possible, local cinema-history societies like the Cinema Theatre Association (CTA) in England.

Foreign travel is, of course, enormously expensive and time is tight. The meter on hotel rooms, transportation, and food is always running. My basic rule is to shoot/scan everything I can, as fast as I can, and conduct all of the OCR [optical character recognition] and note-taking when

I get back to my hotel room. Whenever I'm "on location," I'm also hunting for local cinema programs, photographs, postcards, and books at local markets and trying to find the papers of local architects and others who worked on or in these cinemas. I couldn't visit every nation in the book—the pandemic killed two vital, final research trips—but through a wide range of email conversations, digital ordering and downloading, research assistants, newspaper searches, a vast amount of travel to US State Department and Commerce Department archives in Washington, DC, and other archives across the country, I was able to put together the American side of this vast and sprawling narrative. Studio archives, personal papers, government records, and an absolute flood of trade and newspaper coverage were just some of the ways into this history. Interviews, oral histories, and other memorials also helped. Part of the challenge of all of this was linguistic. I hired translators for documents and even hired some to accompany me to local archives where my English and fading French failed me.

GUARANÁ: What was the state of some of the archives you visited?

MELNICK: National archives were all routinely well maintained, largely open-access, and with reasonably well-organized infrastructure and files. Municipal archives were all over the map. I can still recall being directed to a Tel Aviv municipal archive only to discover that the entire floor had been emptied and the offices and files moved. I was lucky enough to meet a friendly face in Amsterdam for my work at the Stadsarchief, and the same fortune smiled on me at the Sydney Council Archive. I was and remain deeply saddened by the fire and ongoing neglect at the Cinemateca Brasileira. It was not the only institution I visited in Brazil that had been starved for resources and proper attention.

GUARANÁ: The term "cultural embassies" implies a nationalism and a diplomatic enterprise seldom recognized in Hollywood cinema. What else is illuminated by referring to Hollywood's exhibition operations abroad as "cultural embassies"?

MELNICK: Like a proper US embassy, Hollywood's "cultural embassies" were public-facing venues that also sought to engage with institutions such as local businesses, media outlets, governments, and their representatives for the promotion of American policy and ideology, and for the promotion of American films and other products—the ones it sold both on the screen and at its concession stands.

Similar to US diplomatic staff, the American manager of a Cine Metro (MGM) or Le Paramount overseas,

in concert with the head of their local branch office, was charged with reporting local political, cultural, and industrial opportunities and challenges to their managers back in the United States. They also kept in touch with local US ambassadors and consular officials in each market, especially during times of political turmoil or anti-American boycotts. Hollywood's international managers were sent from the United States to lead a team of local workers who helped them translate American practices into local customs and helped pair the exotic nature of an American shop-window cinema with workers familiar with local languages, cultures, and audiences. In this way, American shop-window cinemas abroad sold exoticism on the outside and comfort and familiarity on the inside.

These cinemas were instrumental to Hollywood and local US consular staffs in selling the promise and allure of America. Hollywood and the US State Department were quite aware of the importance of these venues; the swirl of diplomatic, cultural, and political engagements they generated at film premieres; and the invitations to the elite that subsequently followed. On a quotidian level, the inclusion of American-produced newsreels, nonfiction shorts, and other films and live entertainment in American-owned-and-operated cinemas made these cultural embassies not just the location for the expression of American soft power but a direct infusion of American messaging about World War II, anticommunism, and other foreign-policy communiqués.

The cultural embassy was intended to be a transportive experience, the opportunity for local audiences who might never see the United States in person to quite literally step off of a local street and into the United States, bask in its Carrier air-conditioning, and be wowed by its CinemaScope screen. Whereas Conrad Hilton referred to his foreign hotels as "Little Americas," the opulent cinemas operated by MGM, Paramount, and others were set up as cultural embassies for Hollywood and its studios, promoting their films, ideologies, and allure to local political and cultural leaders and the multiclass society they served.

GUARANÁ: Why was Hollywood so compelled to invest in movie theaters abroad if it already enjoyed dominance of the global market in terms of distribution by the early 1920s?

MELNICK: Each of the four major American players in global film exhibition [Fox, MGM, Paramount, and Warner Bros.] had differing reasons for entering this end of the foreign business. (Columbia, RKO, United Artists, and Universal had a collective smattering of foreign cinemas as well.) Their

reasons were often different from city to city, country to country, decade to decade, and corporate regime to regime. Some markets were dominated by local impresarios like Isidore Schlesinger in South Africa or Max Glücksmann in Argentina, reducing Hollywood's leverage in contract negotiations for distribution. This also spurred a desire to build, buy, or lease key cinemas in order to break this stranglehold. American film companies also felt that low ticket prices and cinema standards in foreign markets were contributing to underwhelming box-office grosses, and they hoped to force infrastructural and design upgrades, as well as higher ticket prices, through direct competition. In other cases, personal politics and industrial desires coincided as executives like Spyros Skouras saw the expansion of American-operated cinemas abroad in places like Egypt, India, Israel, and South Africa as essential to Fox's international revenues as well as Hollywood's own efforts to combat the spread of communism through the infusion of American films and cinemas in politically contentious and complex markets.

GUARANÁ: How did "shop window" cinemas put into practice Hollywood's goals of expanding its market?

MELNICK: The "shop window" was British trade-industry nomenclature for a deluxe cinema in a key international city that utilized the highest level of showmanship to "sell" a given film to local audiences and to persuade local exhibitors to book, market, and present a given film in a similar fashion. The concept of the "shop window"—akin to a department-store window display, selling Hollywood merchandise—would come to dominate the strategy for Paramount, Loew's, and Warner Bros. These opulent movie houses drew large crowds attracted by the many features American audiences had come to expect at deluxe stateside cinemas: ornate décor, well-drilled ushers, the best in projection and lighting, live entertainment, and, above all, a reliable but affordable brand of mass entertainment. These shop windows, Hollywood film companies posited, would teach the American presentation method to local exhibitors, who would then exhibit their films in the American way, accompanied by American marketing, technology, and showmanship, and thereby increase profits and prestige for the studio through the excitement around these films. Shop-window cinemas benefitted the foreign-distribution arms of these vertically integrated film companies as they generated excitement about a prestigious film the same way a Broadway run in New York might spur excitement for that same film when it finally reached Topeka.

GUARANÁ: What led Fox to adopt a different strategy than that of the shop-window cinema? How did this pave the way for this expansion elsewhere in the world?

MELNICK: Fox had acquisition fever in the late 1920s and 1930s. It acquired a large stake in Gaumont British [UK] in 1929 and purchased Hoyts Theatres [Australia] in 1930 and Amalgamated Theatres [New Zealand] in 1936. Two years later, a newly merged Twentieth Century-Fox organized a chain of cinemas across South Africa. In 1956, Fox purchased its chief rival there, African Consolidated Theatres, with 144 cinemas in South Africa, colonial Zimbabwe, and Kenya. Until 1969, Twentieth Century-Fox owned dominant theater chains in three of the world's largest English-speaking markets. Fox also operated a number of shop-window cinemas in cities such as Amsterdam, Cairo, Lima, and Tel Aviv, but its consistent tactic was to identify highly profitable English-speaking markets early and invest heavily in both distribution and exhibition. The yield from these investments provided part of the revenue streams that helped sustain Twentieth Century-Fox through its more troubled years in the 1960s and 1970s. All of these cinema chains also brought increased value to the corporation commensurate with the rise in real-estate equity. This is a reminder that film exhibition is, as always, also a commercial real-estate business.

GUARANÁ: How did these American-owned-and-operated film theaters generally respond to anti-American sentiments and accusations of neocolonialism?

MELNICK: It will not surprise you to hear that American-owned-and-operated cinemas did not fully embrace local resistance. However, as foreign, for-profit businesses they were amenable to customer and political demand, especially when forced. Remember that before the proliferation of American fast food and other retailers and outlets, these American-operated cinemas were exotic, the most obvious physical expression of the United States on foreign soil. As such, they were lauded and celebrated during moments of philo-Americanism and hated, protested, shuttered, burned, or bombed during moments of anti-Americanism. In Cairo, the Misr al-Fatat movement was aimed directly at foreign cinemas for their “corruption” of Egypt through these cinemas. Australia, Cuba, England, and other countries tried their best to block the creation of Hollywood-owned-and-operated cinemas, fearing that their subjects would become more American in outlook due to these cinemas and the popularity of the films they showed. One might be tempted to see this book more as an industrial history, but it is quite clearly about politics and culture.

GUARANÁ: Where would you say Hollywood was most impacted by local resistance—be it political, economic, or cultural in nature—and what were the voiced justifications for the resistance?

MELNICK: Hollywood met local resistance in multiple countries for multiple reasons. In England, British exhibitors banded together to threaten a boycott against Paramount in 1927—the “Battle of Birmingham”—to protest the company's lease of two cinemas in that city and its existential threat to the British film industry (and to its sense of global cultural dominance). Egyptian protests against foreign cinema ownership began in the 1930s under the Misr-al-Fatat movement; they resurfaced again in the 1940s and 1950s, aimed against King Farouk, the British colonial presence, and, most specifically, British and American support for a Jewish state in Palestine. MGM and Fox cinemas in Cairo were physically attacked three times—in 1945, 1947, and 1952—as being the physical expression of Hollywood and its Western, often pro-Israel stance. The Chinese Revolution ended MGM's management of its cinema in Shanghai, while Kenyan independence and its attempted nationalization of cinemas forced the closure of Fox's venues in Kenya for almost a year. There are many other examples, but it should be clear from the above cases that industrial, political, and cultural resistance was common and global.

GUARANÁ: Why is global exhibition no longer a viable or interesting investment for the American film industry?

MELNICK: To be clear, many American exhibitors like AMC and Cinemark are rebounding and planning for a full return to normalcy in 2022. The American film industry, though—referring to legacy American film studios in the United States like Universal and Warner Bros. and streaming companies like Netflix and Amazon—are largely disinterested in investing in film exhibition, global or otherwise. Warner Bros. is focused on HBO Max, Paramount on Paramount+, Disney on Disney+. Netflix, Amazon, Apple, and other players have their own subscription/streaming models, and the importance of theatrical exhibition for everyone is under serious review. Foreign cinemas are expensive and industrially complicated to pull off as a producer-distributor and do not reflect the current focus on streaming platforms. Owning foreign cinemas also raises questions about competition with local exhibitors and is inordinately expensive with the rise in prices of real estate, building materials, labor, and technology. Hollywood is always seeking new revenue streams from foreign markets, but physical structures—retail stores, theme parks, and movie theaters—are filled with risk. The

pandemic demonstrated that. Vertical integration is actually much easier when you're producing, distributing, and exhibiting your own IP [intellectual property] on your own streaming service. No ushers needed.

GUARANÁ: What are you working on for your next project, and how many countries do you expect to visit for that one?

MELNICK: I have three books in the pipeline, one of which will examine Hollywood's distribution networks, its production studios, its use of location shooting, its real-estate investments, its television ventures and licensing, and its diplomatic and political relationships on the African continent. This research is inspired by work I began for *Hollywood's Embassies* but could scarcely fit into the book. The pandemic, the civil war in Ethiopia, issues of archival access, and many other logistical challenges remain for this

research. The recent fire at the University of Cape Town special-collections library is a critical blow, for example, as the library holds the papers of the South African film scholar Thelma Gutsche, and material not damaged by the inferno may have been inundated with water in an effort to save it. I have two other books in mind, one based on previous early radio research and another long-gestating project on two of Hollywood's most important yet overlooked industry leaders. I suspect that logistical realities will play a key part in which of these three projects I work on next. For now, I'm commencing research in all three directions, and, like everyone reading this in 2022, I'll be waiting to see what the future holds.

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