In their 2011 Los Angeles Times article *Coming soon to a theater near Yuri*, journalists Richard Verrier, Ben Fritz and Sergei Loiko pointed out an increasing trend in the business of movies: the tailoring of Hollywood films’ content to the demands and expectations of international markets, especially emerging markets such as Russia and China – each with over a billion dollar box office annually and a dramatic increase in theater numbers and attendance in the past few years, just as the movie-going audiences are shrinking all over the Western world. According to the article’s authors, 70% of the box-office revenue of Hollywood movies comes from overseas ticket sale, shifting the business dynamic as a successful theatrical release – a money making hit – is not necessarily defined by the domestic US audience, but can actually occur even if American movie goers are relatively indifferent to it. The repercussions of financial calculations (choice of locations, stars, or even narrative and plot elements) can sometimes be surprising:

In Disney-Pixar’s just-released animated feature *Cars 2*, which is set in several international locations, “there was originally a Russian villain, but there was concern about that,” said Nathan Stanton, story supervisor on the film. The bad-guy car character was changed to a monocle-wearing German.¹

Among the consequences of calibrating Hollywood product to fit specific foreign markets, the Los Angeles Times journalists count the changing of titles in order to de-localize (or globalize) the story – *Battle: Los Angeles* thus became *World Invasion: Battle Los Angeles*, and *Captain America: The First Avenger* was renamed *The First Avenger* for the Russian and South Korean markets – and the casting of stars with broad (Cameron Diaz) or extremely narrow (Taiwanese singer Jay Chou) international market appeal.

In a separate - but equally relevant – development in movie industry and business, China is initiating a strategy of high-profile international co-productions, recruiting top Hollywood talent and know-how for movies that would retain a strong Chinese cultural component while hybridizing it with stars, technology and potentially auteurs, genres or franchises from already established entities in the global entertainment business. The image of China as a global financier, with unlimited cash at its disposal

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¹ Nathan Stanton, *Cars 2* story supervisor, personal interview, 2011.
EDITOR’S INTRODUCTION

in a time when American and European economies are struggling, is already an entrenched stereotype, and the decision to invest some of that capital in films for a global marketplace could lead to the creation of another kind of capital – the cultural and image one, whose (im)balance in the international arena runs quite the opposite of economic growth these days. One of the first products to exemplify this strategy is Flowers of War, a 2011 release that cost the Chinese financiers 94 million USD (the most expensive feature in China’s history). With a story recounting a painful episode of Chinese history (the 1937 occupation of Nanjing by Japanese troops), a major American star at its center – superhero blockbuster icon Christian Bale – and a Chinese auteur widely acclaimed internationally - Zhang Yimou, also creative director of the Beijing Olympics opening ceremony - at its helm, Flowers of War exemplifies the combination of glamour, craftsmanship and nation branding that money can finance - and for which capital is being mobilized.

In a different moviemaking mode, the European models of financing national fare and European international co-productions through government grants are constructed to advance sometimes explicit goals such as the promotion of a country’s image and culture through arthouse auteur cinema regardless of its market relevance, maintaining the strong cultural influence of a powerful nation or ensuring employment for the labor force of the local movie industry. One example that comes to mind is that of Romania, where the rules by which governmental financial support is being allocated to production companies directly resulted in the development of a national cinema of high aesthetic quality, with a very strong presence on the international festival circuit and great critical success, but with very little relevance on the domestic market as Romanian audiences go the movies less and less, and when they do they rarely choose to watch a Romanian film.

These are just a few examples of the ways in which the sources of capital and the models of financing shape and influence the output of film industries around the world. The examination of the diverse and intricate ways in which money (through investment, subsidy, revenue) or its lack (which places restrictions but can also, paradoxically, liberate and reconfigure the creative process) determine the landscape of international cinema today emerged as a necessary and intriguing topic of inquiry for Spectator. The sources of financing for the cinema product have always been one of the most important determinants of cinema’s aesthetics and ideology, from the early days of one-reelers financed by the ticket sales to the bi-coastal banking machinery that made the Hollywood studio system work in its golden age, to the advent of small independent companies in the US in the 60s and 70s and the economic comfort that came with a heavy political burden in the totalitarian film factories behind the Iron Curtain. In today’s global economy, the origins and trajectories of funds for film production are sometimes remote, obscure and difficult to trace - but still of paramount importance, and the new possibilities such as crowd-funding or the increasing participation of non-profits and government organizations highlight the diverse new ways of thinking about cinema which go
beyond the traditional notions of film as business, entertainment and art. Nowadays, cinema can be a nation’s chance at building its image and presence on the international scene or a person’s improbable access to glamor and prestige as their name is being listed in the thank-you credits.

This issue’s contributors span a broad range of research interests, from regional to industry studies, from practitioners to theorists, and each of them chose a different approach in following the money as it is being raised, accumulated, spent, shared and sometimes done without in the processes of production, distribution and exhibition of movies. In Videastes vs. Cineastes, Manouchka Kelly Labouba looks at the difference between the budgetary requirements of film and digital production and the ways in which it shaped the emergence of a “schizophrenic” duality in the moviemaking communities of Sub-Saharan Africa. Benjamin Wright’s Canada’s Great Shame blends personal recollections, historical information and an exclusive interview with producer Don Carmody to re-evaluate the contribution of popular, commercially successful movies to Canada’s national cinema. In an essay reprised from a previous issue of Spectator due to its acute relevance to the current topic – The Birth of East Asia –, Dal Yong Jin and Dong-Hoo Lee examine the flows and interactions of capital – both economic and cultural – in the nations and markets of East Asia. Finally, in Majors, Mavericks and Contenders Melis Behlil performs a thorough analysis of contemporary Turkish cinema’s structure as determined by the financing sources while Kimberly Owczarski brings to the fore the notion of slate financing and zeroes in on a fascinating case study in Becoming Legendary. These research efforts are meant to contribute to the field of film and media industry studies by highlighting the intricacies of capital’s involvement in the production of movies and hopefully encouraging and inspiring further research of the topic as the money pathways become more complicated in an ever-shifting landscape of global media.

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Endnotes


2 The fluidity of financial and cultural capital is symbolized somewhat ironically by the issue’s cover image, the former Warner Bros. premiere theatre - now converted into a jewelry mart in downtown Los Angeles – with a giant diamond perfectly - and efficiently - grafted on top of the theatre’s original WB logo.