I am going to talk about the movie business today, television, in which we are so precariously engaged, and then look at what we in the movie business call the new technology, which is so mind boggling as to cause a sane man to lose all grip of his rational judgment.

It is said that great philosophers can agree on what truth is, but they can never agree on what is true. Whenever one takes a leap into the future to try to predict human behavior or gauge as accurately as one can what the economics of the future will be, I dare say, we will all be wrong.

Indeed, one of the most remarkable acts of political prescience was the construction of the U.S. Constitution, and it was done by a small band of patricians. Yet even those gifted men had a loose and incorrect view of where resided the future security of this country. They believed that it was bound up in the aristocratic educated elite who should be deciding upon great policy, else all their carefully laid plans would collapse. They were wrong, for in truth it has been the average ordinary American citizen who with very rough and simple faith has maintained this society when often it neared the breaking edge.

And so when you try to gauge the impact of the visual force on our society – the visual forms of motion pictures and television – I think we have to collide with what one of my favorite writer-philosophers, Emerson, once said, “For every loss there is a gain, and for every gain there is a loss.”

Think about that, because that is exactly the way I believe the future will shape up. Or to put it another way – the rapid growth of new technologies, which in the lifetime of most of the people in this room is going to really change the way we think and live, contain within them the seeds of dismay as well as delight.

Fellow citizens of ours who are 25 years of age or younger comprise the television generation – people reared all of their lives with a tube in their living room. They are, not unsurprisingly, the frequent moviegoers of today. In the year 2001 they will be in their early 40’s and in their 50’s. I don’t know how any of you feel, but I find it all very distressing personally, because I’ll be heading toward the 80-year mark, in the twilight of my jaded youth and grumpily remembering what Disraeli’s fictional peer, Lord Roehampton, said, “I can’t think of anything more unfortunate than to have the feeling of youth and the frame of age.”
There may be some controversy as to who invented the motion picture. The French lay some claim to this, and I don’t want to stir any Gallic/American relations to get into that argument. But I think it is fair to say that it was in America that we fundamentally altered, through the motion picture, the whole concept of mass communication. At the movie high tide in 1946, before television invaded us, 80 million people a week went to movies. It was the community habit.

With the advent of television beginning in the early 50’s, movie attendance began to slacken and almost disappeared. At one point it went down as low as 15 million people a week, and in 1967 the attendance was about 926 million compared with 4.2 billion in 1946. Then recently it began to level out. I don’t know if it’s because television has lost its novelty, or because of a lot of the garbage you find on it – or maybe people want to watch something a little more gristy than “Love Boat” or “Laverne and Shirley.”

At any rate, when television lost its novelty and people were looking for something different, movie attendance began to rise. The interesting thing is that, without regard to inflation, 1977 was the largest single box office year in the history of motion pictures. Two point four billion dollars went through theater box offices all over this country, and we had over one point one billion people going to movies. It was without any question, the great year in motion pictures. So far in the first 12 weeks of 1978 it is running 24 percent ahead of 1977, much to my astonishment and I think to the consternation of the doomsayers in our business.

Whether you like some of these movies or not is a matter of your own personal taste. I am only citing you statistics, not form and content. Much more importantly – and what people don’t know – is that the American movie has leaped beyond the rim of our shores and has become the single most wanted export of the United States. It is being shown today in more than 100 countries around the world where it dominates world screens.

In 1976, out of all the revenues that flowed into the American film industry, 49.6 percent came from foreign audiences. And as businessmen, you may find it cheering to note that the American film and television industry returns to this country more than one-half billion dollars in surplus balance of payments at a time when we are running a gloomy $20+ billion in a deficit balance of payments. So Secretary Blumenthal and President Carter have good reason to believe that we are making more than a modest contribution to the strengthening of the American dollar.

I spend two-thirds of my time on international global problems, negotiating with foreign governments on film trade treaties, whose objective it is to let the American movie move freely and unhobbled around the world. We are totally apolitical in the movie business. We do business with republicans, democrats, fascists, communists, Christians, Muslims, vegetarians, bulldogs – you name it.

We care nothing about the kind of government a country has, because the minute we get involved in politics we are out of business. We do business on the basis that if our pictures and our material can move freely in a country, we will do business with it. But if you want to hobble us, constrict us, strangle us, we will not do business with you no matter what kind of government you have. That is why we have offices today in Paris and London, in Rome, Dakar, Lagos, Rio, Mexico City, Manila, New Delhi and Tokyo. In 41 other countries we have film boards. We maintain a small State Department that lets me know daily the economic, social and political problems which are infecting countries and which may in time misshape and distort the free flow of movies around the world.
The structure of the movie business has undergone avalanching revision. Too often people read these movie fan magazines, and you would think that Hollywood was the way it always was. But the olden, golden glory days of Hollywood are all gone, though some vestigial nostalgia remains. That was interred in Forest Lawn Cemetery a long time ago. No longer do five or six men, the giant movie moguls, sit around a table and determine the form and content of movies. No longer do studios have under stern and unremitting contract all the great stars. It’s all gone.

Today the creative entrepreneur is in charge. The studios once captained by these old pioneers of the industry are now led by a whole new breed of leadership. Two of the major companies are managed by Rhodes Scholars and the rest by mostly young, endlessly-energetic men who are not content to do things the way they were always done, who are ready to explore unmapped territory, and who find in more ways than one that it is better to sense and adapt to change than to resist it.

At the same time, theater owners have changed the whole geographic strategy of the way they operate. While it is true that we have 2000 fewer theaters today than we had in 1946, would you believe though that from 1967 to 1977 the number of movie screens in this country has gone up from about 12,001 in 1967 to about 16,008 in 1977. Theater screens are moving out to where people are, in the suburbs. Movies are going to the people and not asking the people to come to them. It is true that the old cavernous movie palaces in the inner core of the cities are closing down, but the new screens are being built where people are living. That’s a profound mark of confidence by theater owners and their bankers in the continued vitality of the movie business.

Let me tell you about Hollywood today. In Hollywood there is one king. He is called talent. He comes in all kinds of forms, but he reigns supreme. Talent. I cannot tell you what it is. As Mr. Justice Stewart once said about pornography, “I cannot define it, but I know what it is when I see it.” It is a sourceless, mystical substance that no laboratory scientist or physicist has been able to dissect or to duplicate. But it is this alchemy of talent that has really made the American movie so dominant around the world. It has given the American film a spacious reach never comprehended by the wildest imaginings of a generation or two ago.

With all of the experience, with all the creative instincts of the wisest of people in our business, no one, absolutely no one, can tell you what a movie is going to do in the marketplace. Between the idea whence springs the script and the finished print, so much can go wrong – and often does. When you are dealing with a thing like a film, it is not like ballbearings, it is not like steel. Each time you make a film you start a whole new business all over again, a brand new business. Not until that film opens in a darkened theater, and sparks fly up between the screen and the audience can you say this film is right. Excellence is a fragile substance and movie making is a collaboration of talent, which is why it is hard to make and buy great films. The reach for quality is as finely ground as a piece of fine porcelain. And even the most remarkable filmmaker, no matter how sprinkled with genius, sometimes is unaware that his creation is cracked. He doesn’t know it until the editing is done. That’s what makes filmmaking such a fascinating enterprise.

When I came to this job about 12 years ago, I didn’t know it at the time, but I was entering the movie business at a watershed period. Things were in change. I am going to anticipate one of your questions, because this is really the rostrum from which the next few sentences are going to spring. Many of my friends say, “Jack, why don’t you make movies the
way they used to be made?” I have an answer for you. With wide-eyed innocence I say, “Why isn’t the society the way it used to be?” Then a glimmer of recognition comes into somebody’s face.

In the mid-60’s I lived in the White House, and there was a viewpoint we had. Then I lived outside the White House when I left with another viewpoint. In the mid-60’s the social harness that held together this country began to unravel and all of the ancient slogans, the old values, and the way we used to regard things began to go into some kind of revision. We were wading through a revolutionary mix of social, economic, and political change, and the idea that movies, the most creative art form, would remain unaffected by this is absurd.

When I came to this post, I had two firmly fixed objectives. Objective number one was to make the screen free. That doesn’t seem like very much to you, but Mr. Hays, my predecessor, had involved himself in the Hays office whereby they had dos and don’ts. If you didn’t get a seal of approval, you literally couldn’t bring your film to the marketplace. I believe that every man or woman ought to have a right to tell any story he or she wants and let the public be the judge.

For example, Mr. Hays used to have a rule that said -no open-mouth kissing. I don’t know how you do things in Kansas City, but that seemed like a restrictive rule in Hollywood. Another one was that if a woman and a man were on a bed, they each had to have one foot on the floor, which means that the only people who could make love would be someone like Nadia Comenich. At any rate, I wanted to make it possible for a filmmaker to make a movie without having anybody telling him or her to revise, edit, or blot out something he or she had put together.

The second objective I had was to fulfill an obligation to parents. I thought that parents should make their own judgments about what movies they wanted their children to see – not somebody else – not Will Hays, not Jack Valenti – but parents. Now mark that sentence carefully – the parents – not some censor, wild of eye and delusion or some government agency, some bureaucracy. Those of us who deal with the government (and worked within it) know that the idea that once you get into the government you are suddenly divinely inspired with all sorts of intelligence and knowledge is nonsense. And why should some ordinary fellow who is elevated to some job because somebody thought he ought to be in it suddenly develop a reach of imagination and intelligence that was nowhere on display before he took the job? Why should he be the one making these sublime judgments about what we ought to see and read? It’s comic absurdity.

So out of those two objectives came the film industry’s voluntary film rating. If you don’t like it, you have to fuss at me because I am sort of its godfather. Working very closely with the National Association of Theater Owners, we developed this rating system. But the final judgment is up to the parents and the value system they have constructed for their children. I don’t believe any man is wise enough or smart enough, whether he’s been elected by his peers or selected by his leaders, to make those kinds of judgments.

I am reminded of what I think is one of the great observations of all time. Bertram Russell, whom you may or may not like, was a very wise man. He said, “Two things ought to be remembered. The first is that a man whose theories and opinions are worth studying may be presumed to have some intelligence, but no man has arrived at total and complete truth on any subject whatsoever.” On that rock the First Amendment was built, and I tell my lawyer friends
and my political colleagues of the left and the right that the First Amendment is one of the least ambiguous clauses in the Constitution. I might add, it is one of the most precious.

That is a brief summary of the movie business, and in the next few minutes I want to take you into television and then look into the future.

Let’s acknowledge that television is all-pervading and then go on from there. Let me give you some numbers. There are about 727 commercial television stations in this country. About 516 are VHF and there are some 211 UHF. There are about 260 public broadcasting stations. There are 73 million homes that have a television set – nearly every home in America, maybe two, maybe three sets. Sixty million of those homes have color television.

Now I am going to give you numbers that will stun you. Every day the average American is watching about six hours and 10 minutes worth of television. In any one day you will find 110 million of us – half the population of the United States, not including babies – watching television. More people will watch Walter Cronkite and David Brinkley on the CBS and NBC Evening News in two nights than will see all of the movies in all of the cities in this land in five weeks.

To say all-pervading may be too mild a description. This is a fact of life that every politician, every advertiser, and every social scientist is aware of, and they all have varying and infallible opinions as to what it all means. Certitude is more contagious than athlete’s foot. But exploding within the living room is a mushroom cloud of new technology that I promise you no man can readily foretell in form, dimension and full shape.

What is all this new technology? Cable television, which plucks out of the air signals being broadcast by other television stations, and under compulsory copyright license, without the permission of the copyright owner, delivers those programs into what they call a “head-end,” and from that head-end it moves through cable into subscribers’ homes. Some 13+ million homes in America are on cable.

Then there is pay television. There are about 1.7 million homes on pay television. What is pay television? If you are on a cable, for an extra amount of money you can have brought into your home on a special channel, movies and other events uninterrupted by commercials. Or you may take it by what we call subscription television – scrambled broadcast signals that leap out of the air, not through cables – and through a little box on your set scrambles and unscrambles a signal, brings it to you, and you can see it that way. Or what we call MDS – multi-point distribution service. Through a non-broadcast frequency people now send these signals to high-rise apartments and you can see pay cable that way.

Just over the horizon is one of the most miraculous of all inventions. Mark the name well – it is called fiber optics. Within 10-15 years it will be here, and it will multiply the possibilities. The same size tube on fiber optics could carry maybe one million television calls, maybe a hundred television channels in small hair-thin glass tubules. Fiber optics – it is going to shatter the imagination in the years ahead.

In Columbus, Ohio, a yeasty experiment is going on. Thirteen thousand homes are wired to two-way cable. People talk back to their sets. There is a little computer which you punch and you can enlarge the capacity to command that set to bring you what you want, when you want it, over 30 separate channels – movies, broadcast television, how to plant a garden, how to keep your wife happy – all the things that are the riddles of American society.
There is also the capability to instantly say “yes” or “no” while a politician is speaking on why taxes should or should not be increased. Even as public officials or office seekers are talking, the public is gauging them. I must say it is a kind of “Gong Show” for politicians. What is even worse though is the prospect of being instantaneously measured which is going to seriously multiply manic depression among public officials in our land, because in Washington today you ask any public official and he’ll say, “My god, today it takes steel nerves to be a neurotic.” You can imagine what is going to happen in the future.

The prerecorded video cassettes, the video discs, are just beginning to take their first tentative steps into the marketplace. Who knows what that will bring. The video tape player, VTR; Sony Betamax, RCA – you know what I’m talking about. It has a recording capability and a playback capability. Now I and a number of my friends in what we call the program creation arena, think this casts a shadow over the future, because if you can unauthorizedly copy a copyrighted program and do whatever you want with it, this could be blighting and stunting to the program business. The concept of copyright sanctity – and if I speak passionately, it is only because I feel that way – is imbedded in the U.S. Constitution. We think the courts are going to have to examine very carefully the question of whether when you have a video tape recorder in your living room you have a right to copy “Star Wars” as it is coming out a pay cable channel.

There is a possibility of satellite communication of which the dimensions are unlimited. It is stupefying when you try to think about it. Twenty-three thousand miles in the atmosphere sit these satellites, orbiting the earth above the equator. They cast a giant transmission net over the United States. They have what we call transponders – 12 on one of them and 24 on another satellite that is up there. These transponders collect and dispatch sound, taped and filmed information in such a way as to resculture all of our known beliefs and expectations.

It is possible to dial a number or press a button or maybe even blink an eye and pluck down from the sky numerous opportunities of entertainment or whatever else. There is a writer named Sir Charles Sharington who once described the human brain, and it is the only description I know of satellite communication. He called the brain “... an enchanted loom where millions of flashing shuttles instantly dissolve.” That is what satellite communications are.

Now you and I could spend the next year speculating about whether this is good or bad. My own judgment is that it is both, which returns me to my opening line of Emerson. “Each gain begets a loss and each loss offers a gain.” But the question is not whether the new technology is good or bad. As I said, I think it has a touch of both. The question is how do we handle it, because we can no more insulate ourselves against the intrusion of these new inventions than we can fortify ourselves against a fever.

The philosopher doesn’t know where he is until he has reached his goal. If the administrator doesn’t know where his goal is, he doesn’t know where he is going. A French anarchist, Proudhon, once wrote about “the fecundity of the unexpected.” That is what all this communications technology is about. It is fecund and it is unexpected. How do we handle it? What is going to be the impact?

This is where I believe that thoughtful people have to think very carefully. Even though it is my business to see more delivery of entertainment, as a citizen, as a man who cares deeply about the English language and about the literacy of my children, I wonder about all of this. Are we going to be cabined, cribbed and confined in the living room, umbilically connected to all these whirling images that are coming out of a television set? Are we going to be a population
whose sole duty in life is to sit passively and dumbly and just view and listen? Is the noble English sentence, as Churchill once described it, to be merely now a reception of sounds and vowels voiced by others? Is it wise and expedient to make hasty judgments about issues that are very tough and serious? Should we do that thoughtfully instead of pressing some button before we know what is going on and say “yes” and “no” and maybe vote down something or still the voice of thoughtful leaders? I don’t know.

Is there a homogenizing saneness that is going to settle over this land like a billowing net of gossamer that just envelopes us all in one national embrace? I think that is something to worry about. Or is there the possibility that literature and art – the best that we have, along with the shallow and the meritorious – would be available in such abundance that even the most slovenly intellect would find some excitement, the kind of excitement that comes when you learn something that you didn’t know before?

I myself lean to the sunny side of the question. Diversity of choice is what I believe in. That is what this free and loving land is all about – free and diverse choice. The finest that is in us, as well as the worst, will be available to the least of us as it will be available to the best of us.

I am always reminded of that marvelous debate that took place in St. Mary’s Church in Putny, England, in 1647 when Oliver Cromwell and his son-in-law, Colonel Ireton, were debating with the peasant soldiers of the New Model army about the future of Great Britain and the English nation and all of the title deeds of liberty that they had been fighting for. Ireton and Cromwell were talking about how property rights gave a man superiority over a man who did not own property. Colonel Thomas Rainborough, a peasant who rose to be colonel in the army, stood up and said to Cromwell respectfully, “General, the poorest he that is in England has as much right as the richest he.” And on that shining theme was built the English tradition of justice.

That is what I think this diversity of knowledge and entertainment may be all about. And who among us can say, much less prove, that opening a new window on the world might not lead to some really new understanding, or at the very minimum, open some tiny new understanding about which we previously knew so little. To my personal delight, and I think to satisfy the appetite for all in this new program, we are going to find wonderful talent in this country – in Kansas City, in Texas, and all over.

There are source beds of creativity that right now are completely unknown and obscure to us.

President Carter is fond of quoting Reinhold Niebuhr. The good pastor once said something that I believe in: “Nothing that is worth doing can ever be achieved in our lifetime. Therefore, we must be saved by hope.” I like that. And I will tell you, given my ignorance of what the future will hold, I think that is a good way to look at what we don’t know. It is a good way to chart the future of new unmeasured boundaries of new technology – what I call the visual revolution.

QUESTIONS AND ANSWERS

QUESTION: How many movies do you see in a year in the nature of your job?

ANSWER: I try to see about three or four a week. I try to pick out the new movies, but sometimes it’s more than that. I try to see a good sampling of foreign movies from time to time
to see what the new directors are doing. From time to time, in the interest of knowing what is going out in the marketplace, I try to see “Misty Beethoven” and “Deep Throat” and things like that. At least that’s the way I rationalize it.

I have a little 16mm projection in my home in Washington, a kind of poor man’s screening room, and then in my office I have a 70-seat theater. In my New York office I have availability of the screening rooms of all of our companies. And while in Kansas City swimming pools and tennis courts may be the thing, in California having a screening room in one’s home is the mark of where you separate the elite from the plebeians. So there is ample opportunity and I try to see at least four and sometimes five movies a week.

We have a Rating Board in California that rates movies. Last year they rated almost 500 movies, which means they are seeing two a day. Believe me, there are some movies that frankly you couldn’t subpoena people to see, but they have to look at them and that becomes a little chore.

QUESTION: Who would you name as the top writers in Hollywood right now, and are the writers the central force in that town?

ANSWER: The writer is the singular force. It is a terrifying juxtaposition of credit that the director and the star are the ones who get all of the notoriety. But in my judgment, having been in this business now for 12 years, I find it interesting to note that the greatest of directors is unable to make a great movie without a great script, whereas, a mediocre director has the possibility of making a great movie with a great script. But with a bad script, even the best director cannot do anything.

You will find that the young talent today are mostly writers themselves. For example, Steve Speilberg writes most of his own material. He did “Jaws” and “Close Encounters of the Third Kind.” John Milius and Terry Malick are also young, as is Francis Coppola who is doing “Apocalypse Now.”

Indeed you are finding young filmmakers now who are so imposing in their view that the script is important that they want to be involved in that script. All of these new young talented people are filmmakers and writers, because they need to be.

QUESTION: Do you feel that the comedy trend that was prevalent during the Oscars this year will continue?

ANSWER: I don’t believe there are such things as trends, because the movies that you are seeing now were first devised in some man’s brain two years ago. He had an idea to make a movie he thought was going to be good. He didn’t know anything about a trend.

If you want to start a trend, you have to think now about movies that are made now, but it will be 18 months to two years before that movie hits the screen. It is possible, coincidentally, that imaginative minds would seize on the same theme. I find it fascinating that “Close Encounters” and “Star Wars” sprang from the brains of two young geniuses separate and apart. It is as if a scientist in Canada and one in Yugoslavia or Italy discovered the same cancer cure at the same time. It was not planned that way; it just happened.

Creativity is a very tenuous substance. It is very difficult to catalog. I don’t think of doing things in trends. Right now there are a lot of movies being made in which women play a prime role. I don’t believe a writer sat down and said, “Today I want to write a story about a woman.”
First you have the idea, and then as you develop it, the characters begin to come alive. And so you have “An Unmarried Woman,” you have “Julia,” you have “Turning Point,” you have “Coming Home,” you have “Comes a Horseman” — a number of films in which women are going to be the prime protagonists. So I think it is a culmination of ideas that all began at the same time without any of the creative people knowing they were thinking about that. Movies come from all sorts of sources. They come from the headlines today, they come from books, they come from the public domain.

Tony Richardson has a new movie out called “Joseph Andrews.” It is not exactly a new book; Henry Fielding wrote it. Stanley Kubrick’s next picture is a novel called “The Shining” which you see now on the newsstands. He is just beginning production on it.

If you will notice, there is a new trend today to write a screenplay and then do a novelization from the screenplay. That began with “Love Story” which first started as a script. The Los Angeles Times had a big story about the burgeoning business of the collective association of movies and novels at the same time. You will notice on your bookstand “Jaws II” by Hank Searls. “Jaws II” will be out in June of this year. He took the script and wrote a novel, so the novel and the movie will be in the marketplace at the same time. The same with “Omen II.”

“Overboard” is another one that you will see in a television movie and the book is on the newsstand at the same time. “Close Encounters” is in your book store. All of this is a definite trend, but it has nothing to do with the content of the idea to begin with.

QUESTION: What effect has the change in the tax law had in the movie industry insofar as investing in the industry?

ANSWER: Are you talking about that odious word called tax shelter, which makes brave men blanch, at least if you are in the Congress? Absolutely none, to my astonishment. For those of you who are not knowledgeable, you could put $100,000 into a movie that you buy and put a $10 million price tag on, and the first year you charge off the full $10 million. Then you take a non-recourse loan for the other $9,900,000. The Congress did away with this, and I thought it would mean about a 10- 15- 20 percent diminution in production; it has not.

There has been other private capital coming into the market. Right now, as you men in business well know, you can only charge off that which is “at risk.” And so it is no longer a tax shelter, but it is like going to Las Vegas. You can throw the dice, and if you win, you win big. On the other hand, you ought to be prepared to lose. Six movies out of 10 lose money.

If you make a movie that costs $4 million, by the time you add advertising costs, marketing costs, print costs, etc., you must take in $10 million to break even.

The exhibitors are making money and the movie companies are making money, because more people are going to movies. That is the whole key to this business. If nobody shows up at your movie house, it’s a bad business. But you never know until you put that picture in your theater.

QUESTION: Would you comment on the future of education and the movie industry?

ANSWER: If you are talking about commercial motion pictures, I don’t think they are in the educational business. Sam Goldwin used to say, “If you want to send a message, go to Western Union.” In all honesty, I see no future for the commercial motion picture in education.
However, I see a great deal in the new technologies. For example, the video disc can store up to 55,000 separate pieces of information on one side. You can freeze frame. You can call back by computer any one of those 55,000 in a twinkling of an eye. So you can teach with a video disc.

If you are teaching Shakespeare on video disc, and want to go back and pick up the way Richard Burton was saying, “Upon what meat doth this thy Caesar feed?” you can flash back and see some of the movements. If you are explaining laser beams, or you are doing integral calculus, you can do it on these video discs, because the teacher – the little computer – can call back and reexamine any portion of that lesson in the twinkling of an eye.

So I am saying to you the new technologies are going to expand the possibilities of delivering educational information. But the commercial movie itself is for entertainment. Shakespeare, Shaw – all of the great writers – wrote to entertain. They had great messages contained in whatever they were saying, but they never let the message get in the way of their entertainment. That is why Dickens and Moliere are still read today; they were primarily writers of entertainment. So I see no future in the commercial motion picture, but I see a great future in the new technologies insofar as education is concerned.

QUESTION: It seems like the R movie of 10 years ago is the PG movie of today, which has made it a little tough sometimes for parents. Do you have the veto power on the ratings?

ANSWER: No. The Ratings Board in California, consisting of seven people, does the ratings. There is also a Supreme Court of the rating system, as it were, called the Appeals Board. In case some producer doesn’t like the ratings he is getting, he can appeal to the Appeals Board which consists of theater owners, independent distributors, and major distributors. It is an intra-industry appeals board. It has the final word on ratings.

But it shouldn’t be so ominous that five or six years ago an R film then would be a PG film today. The rating system is in a way modeled on the Constitution of this country in that it is very flexible. The reason that this Constitution has withstood 200 years of cruel disjunctions is because it has been able to bend. Whenever there was public opinion and crisis, it bent and gave, and then it snapped back up again when the crisis was over. The rating system must move with the mores and customs of the time.

The society and sexual permissiveness have changed radically. If this rating system were rigid, if it were living in the mores of 1966, it would have cracked and snapped a long time ago. So the answer is yes. It tries in a subjective, almost linear way, to change and keep itself alive with the times – in language, in sensuality, and in violence. We are probably still tougher on violence, and maybe a little less tough on the sex than we were before.

I am astonished by what children nine and 11 years old know today. It kind of unhinges me every now and then. But nonetheless, that is what is going on in the marketplace. I will tell you this. I am very stern and strict about what my children see in movies. I am very careful and treat them the way I treat the books that they read and the people they associate with. I like them to be people of integrity and intelligence and have good manners. But it is the parents’ duty to instruct children in values and no government agency, no rating board, no censor is going to salvage a child when the parent has abandoned responsibility for that child.

So the rating system tries to do its job by giving the parents advance notice. Even with a PG picture, we say to you, “Please, Mr. and Mrs. Parent, parental guidance suggested. Inquire
about this film. There may be something in it that you would find unsuitable for your children. We don’t know; you be the judge.”

The best evidence that this is working in a flawed, awkward way, is that it has survived for 10 years. It will be 10 years old in November, 1978, and I don’t think any system which depends on public compatibility and public compliance and public support, would have survived 10 years unless it was giving something to the public that was worth more than the problems that it creates.

QUESTION: Do you have any statistics on what age group attends the most movies?

ANSWER: Yes we do. Age groups 16 to 30 comprise 74 percent of the movie going attendance today. The biggest increases in movie going are people who were 12 and 15 about 10 years ago. It is in that 22 to 28 age bracket where we are finding the biggest jumps. That was the movie generation a decade ago, and now they are really infected and are attending in great numbers.

We find something else that is an interesting correlation. We do statistical studies in depth every year by the Opinion Research Corporation of Princeton, New Jersey. We have found two singular pieces of information. One, the more education you have, the more you attend movies. The less education you have, the less you attend movies. It is an extraordinary thing.

Another correlation is the standard of living. As standard of living rises, movie attendance rises to a plateau, and then it begins to level off. For example, we took four categories – Frequent, Occasional, Infrequent, and Never Go To Movies – with Frequent being once a month or more. We found that of the frequent moviegoers, some 65 percent had had one year of college or more, and only 20 percent never went to movies. On the other hand, of those people with less than a high school education, some 66 percent never went to movies, and about 28 percent are frequent or occasional moviegoers.

What are these non-moviegoers doing? They are watching television, or doing something else. They are watching “Happy Days,” “Laverne and Shirley,” “Three’s Company,” “Soap.” They also watched “Holocaust.” “Holocaust” ranked next to “Roots” as the highest ranked program in the history of television. Some 60 percent of the audience was watching it. That’s a tremendous share. “Roots” had close to 70 percent. The Academy Awards got the highest single rating lately. They had over a 72 percent share. That means of all the people watching television, 72 percent were watching that particular program.

QUESTION: You mentioned earlier the pervasiveness of television. The government says that television has a serious effect on us. What do you think about the social impact of movies?

ANSWER: I really don’t know. To be honest with you, I don’t know what the social impact of television is. It is almost as if you get three economists in a room, you will have three different opinions as to where the future is heading.

I’ll be honest with you. I think man is essentially a violent creature. We kid ourselves when we say he isn’t. I would like to see more studies done, but as of this moment, I really don’t know.

I do think there is some imitative value. If you talk to a psychiatrist, he will tell you that to the psychotic who may go see “Looking for Mr. Goodbar” or “Born Innocent” on the screen
that will trigger him or her into doing something he has seen on the screen. But the psychiatrist will also tell you that a harsh word on the street or someone jostling a disturbed person in a crowd might also set him off. No one really knows where the nerve center is that triggers some kind of mischievous and unsocial behavior. At least I haven’t seen it in any of the material that I have read and studied.

QUESTION: What is the relationship between American movies in communist countries? Are they shown freely?

ANSWER: They are shown, and if you had a contest and put five Russian films against five American films, Mr. Brezhnev would be very disappointed.

The answer is that we do business with communist countries, but we demand hard currency. We don’t barter with them, and we don’t want rubles. We want dollars, and that means foreign exchange.

They have a budget in communist countries. They set aside so much for agriculture, etc., and then they put aside so much for import entertainment. It’s usually a very small amount. To be honest with you, we get more income from Bolivia or Jamaica than we do from the Soviet Union. Film has been a source of negotiating with the Soviets for some time. We do a lot of business with Poland, Czechoslovakia, Rumania, Hungary, Yugoslavia, but not as much as we would like because they claim not to have the foreign currency exchange available to lease our movies.

There is no question about U.S. films’ popularity. I have been to the Moscow Film Festival four times, and I recall that when we had American movies that were shown just during the two weeks of that festival, they decided they wanted to buy it. Take pictures like “Grand Prix” for example, which was not a big hit in this country. I was standing outside the theater and I literally watched scalpers at work taking a two ruble ticket and selling it for 10 rubles.

Kirk Douglas went with me to the last film festival. He is one of the most famous Americans over there because of “Spartacus” and “Lust for Life,” two of his most popular films. He had a film called, “Posse” and they had lines of Russians around the block trying to get in to see it.

I’ll tell you another thing. People always ask me, “Why do you allow films to be shown abroad that show the Americans in a bad light?” This comes up constantly. In a strange and bizarre way it is a beneficent thing. When citizens in a communist country see an American film that is highly critical of the American government, what they are thinking is: How could you make such a film in your country? We couldn’t do that over here. You are free in your country and can make films that criticize your government. They know.

I remember one of the first duties I had when I took this job. At the Moscow Film Festival there was a picture called “Up the Down Staircase” with Sandy Dennis. It showed the ghetto schools and the squalid conditions where our children were taught. The State Department didn’t want this film to go, but I said either we have the right to send any film we want or I’m not going. When Russians saw this film they said, “My god, you can show a film that shows your school system this way? It must be a great country. Freedom!”

I am not afraid to show the communist countries any picture that we make no matter how anti-American it might be.
QUESTION: Would you give us some view on what kind of impact foreign movies coming into this country have on the marketplace?

ANSWER: Very little. I think that some of the exhibitors in this room would tell you that with rare exception, foreign films do not sell well. It is a matter of some humiliation to me that of all of the films of Ingmar Bergman, only one, “Cries and Whispers,” has ever returned to the distributor even the prints and advertising costs. United Artists, distributors of most Bergman films, has lost money on every one of his films.

You can’t force the American public to see a film they do not choose to see. In the early days, Jack Clayton and people like that in England had a more than significant effect on the American moviemakers. But by the same token, it has been men like John Ford, Alfred Hitchcock, and Howard Hawks who have had a profound influence on the European filmmakers. For some reason in an English speaking country like this, dubbed films do not go well. Only a small group of people want to see a subtitled film.

“The Obscure Object of Desire” was well received in this country, but on the scale of the kind of money we are talking about, it did not do that well. “Cousin, Cousine” was very favorably received, but not on the scale you would consider a blockbuster hit.

The American public is eager to see some of these filmmakers in the big cities, but generally speaking foreign films are not a source of overwhelming income to either the distributor or the exhibitor. They usually play in small art houses around universities.

In Washington D. C. we have a theater called the Circle Theater where they play foreign films. If you want to see a good foreign film you go there. It’s a small theater – 250 seats – and “Cousin, Cousine” played there for 55 weeks. But nationwide, it would be of marked insignificance.

Most of the filmmakers today, the Lucases, the Speilbergs, the Brian DePalmas, the Milius’, Terry Malick, Oscar Williams, Jerems Kagan, Martin Scorcese, Coppola, are all doing their own thing without being influenced too much by the Europeans.
JACK VALENTI has been President of the Motion Picture Association of America since mid-1966. It is this post that was dubbed “Movie Czar” during the MPAA presidency of Will Hays, and as such commands great power and influence in the motion picture and television industry in this country.

From November 22, 1963 (when he was part of the motorcade of the late President Kennedy in Dallas on that day) until 1966, he was Special Assistant to the President of the United States, Lyndon B. Johnson, where he served as Appointments Secretary as well as being chief manager of the President’s speechwriting and deeply involved in National Security Council issues.


He was born in Houston, Texas, graduated with a bachelor’s degree from the University of Houston, and a master’s degree from the Harvard Business School in 1948.

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MIDCONTINENT PERSPECTIVES was a lecture series sponsored by the Midwest Research Institute as a public service to the midcontinent region. Its purpose was to present new viewpoints on economic, political, social, and scientific issues that affect the Midwest and the nation.

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The Western Historical Manuscript Collection-Kansas City, in cooperation with MRI, has reissued the Midcontinent Perspectives Lectures in electronic format in order to make the valuable information which they contain newly accessible and to honor the creator of the series, Dr. Charles N. Kimball.