
THE GENIUS OF THE SYSTEM

HOLLYWOOD
FILMMAKING
IN THE
STUDIO ERA

Thomas Schatz

Preface by Steven Bach



UNIVERSITY OF MINNESOTA PRESS
MINNEAPOLIS LONDON

Introduction:

"The Whole Equation of Pictures"

Walking at dawn in the deserted Hollywood streets in 1951 with David [Selznick], I listened to my favorite movie boss topple the town he had helped to build. The movies, said David, were over and done with. Hollywood was already a ghost town making foolish efforts to seem alive....

But now that the tumult was gone, what had Hollywood been?

—Ben Hecht, 1954

David Selznick had a flair for the dramatic, and no one knew that better than Ben Hecht. The two collaborated on some of Hollywood's biggest hits—movies like *Gone With the Wind* and *Notorious* and *Duel in the Sun*—and often enough the making of those films was as rife with conflict as the films themselves, thanks to Selznick's ego and his unconventional working methods. In fact, Selznick, a "major independent" producer in the age of the big studios, saw his entire career in epic-dramatic terms: David amid a slew of Goliaths. But in the early 1950s that scenario was changing rapidly. In 1953 Selznick wrote Louis B. Mayer, MGM's recently deposed studio boss, that all of Hollywood's "old companies" were still geared to a "business that no longer exists." Selznick felt that everything from the production studios in Los Angeles to the worldwide marketing and distribution networks were predicated on a notion of moviemaking—and of movies themselves—for which there was "no longer a market."

This was scarcely a cause for celebration, since Selznick was learning how little real independence he had from the entrenched movie companies and their way of doing business. He was barely fifty years old and his earlier blockbusters were virtual prototypes for the independent productions that now ruled the marketplace, and yet he felt himself going under with the old studios. By the decade's end he was ready to write his own as well as Hollywood's epitaph. Selznick told

one of his former partners in 1958 that their "old stomping ground" had become "very mixed up and unhappy." He went on to eulogize the pioneers and moguls, a vanishing breed now that the industry was a half-century old, and he closed with the observation that Hollywood's "big companies" were staying alive only through the momentum and the motion pictures created in earlier years.

The big companies like MGM and Paramount and Warner Bros. continued to survive, of course—indeed they flourished in the age of television and the New Hollywood. But things had changed since that halcyon era when Selznick and Hecht and Mayer were making movies. Gone was the cartel of movie factories that turned out a feature every week for a hundred million moviegoers. Gone were the studio bosses who answered to the New York office and oversaw hundreds, even thousands, of contract personnel working on the lot. Gone was the industrial infrastructure, the "integrated" system whose major studio powers not only produced and distributed movies, but also ran their own theater chains. Something was "over and done with" in the early 1950s, all right, but it wasn't the movies. It was the studio system of moviemaking and the near-absolute power that the studio wielded over the American movie industry. The Hollywood studio system emerged during the teens and took its distinctive shape in the 1920s. It reached maturity during the 1930s, peaked in the war years, but then went into a steady decline after the war, done in by various factors, from government antitrust suits and federal tax laws to new entertainment forms and massive changes in American life-styles. As the public shifted its viewing habits during the 1950s from "going to the movies" to "watching TV," the studios siphoned off their theater holdings, fired their contract talent, and began leasing their facilities to independent filmmakers and TV production companies. By the 1960s MGM and Warner and the others were no longer studios, really. They were primarily financing and distribution companies for pictures that were "packaged" by agents or independent producers—or worse yet, by the stars and directors who once had been at the studios' beck and call.

THE collapse of the studio system was bound to provoke questions like Ben Hecht's—"What had Hollywood been?"—and the answers have been plentiful but less than adequate. Hecht himself answered as so many of his industry colleagues did, with an anecdotal, "self-serving memoir laced with venom for the 'system'" and for the "Philiistines" who controlled it—and who paid Hecht up to \$5,000 a week for his services as a screenwriter. Hecht was an essential part of that system, of course, though he hardly saw things that way, and his reminiscence was less revealing of Hollywood filmmaking than of the atti-

tudes of eastern-bred writers toward the priorities and the power structure in the movie industry. Hecht's answer did provide yet another piece of evidence to be factored in, along with countless other interviews and autobiographies, critical studies, and economic analyses. But the accumulated evidence scarcely adds up, and our sense of what Hollywood had been remained a vague impression, fragmented and contradictory, more mythology than history.

Promising to change all that, a cadre of critics and historians in the 1960s and 1970s cultivated a "theory of film history" based on the notion of directorial authorship. As the New Hollywood emerged from the ashes of the studio era, proponents of the "auteur theory" proclaimed that what the Old Hollywood had been was a director's cinema. They proclaimed, too, that the only film directors worthy of canonization as author-artists were those whose personal style emerged from a certain antagonism toward the studio system at large—the dehumanizing, formulaic, profit-hungry machinery of Hollywood's studio-factories. The auteurist's chief proponent was Andrew Sarris, who in his landmark study, *The American Cinema: Directors and Directions, 1929-1968*, cast the studio boss as the heavy in Hollywood's epic struggle and reduced American film history to the careers of a few dozen heroic directors. Keying on an observation by director George Stevens that as the industry took shape, "the filmmaker became the employee, and the man who had time to attend to the business details became the head of the studio," Sarris developed a simplistic theory of his own, celebrating the director as the sole purveyor of Film Art in an industry overrun with hacks and profitmongers. The closing words of his introduction said it all: "He [the director] would not be worth bothering with if he were not capable now and then of a sublimity of expression almost miraculously extracted from his money-oriented environment."

Auteurism itself would not be worth bothering with if it hadn't been so influential, effectively stalling film history and criticism in a prolonged stage of adolescent romanticism. But the closer we look at Hollywood's relations of power and hierarchy of authority during the studio era, at its division of labor and assembly-line production process, the less sense it makes to assess filmmaking or film style in terms of the individual director—or any individual, for that matter. The key issues here are style and authority—creative expression and creative control—and there were indeed a number of Hollywood directors who had an unusual degree of authority and a certain style. John Ford, Howard Hawks, Frank Capra, and Alfred Hitchcock are good examples, but it's worth noting that their privileged status—particularly their control over script development, casting, and editing—was more

a function of their role as producers than as directors. Such authority came only with commercial success and was won by filmmakers who proved not just that they had talent but that they could work profitably within the system. These filmmakers were often "difficult" for a studio to handle, perhaps, but no more so than its top stars or writers. And ultimately they got along, doing what Ford called "a job of work" and moving on to the next project. In fact, they did their best and most consistent work on calculated star vehicles for one particular studio, invariably in symbiosis with an authoritative studio boss.

Consider Ford's work with Darryl Zanuck at 20th Century-Fox on a succession of Henry Fonda pictures: *Young Mr. Lincoln*, *Drums Along the Mohawk*, and *The Grapes of Wrath*. Or Alfred Hitchcock doing *Spellbound* and *Notorious*, two psychological dramas scripted by Ben Hecht and prepared by David Selznick for his European discovery, Ingrid Bergman. Or Howard Hawks working for Jack Warner on *To Have and Have Not* and *The Big Sleep*, two hard-boiled thrillers with Bogart and Bacall that were steeped in the Warners style. These were first-rate Hollywood films, but they were no more distinctive than other star-genre formulations turned out by routine contract directors: Universal's horror films with Boris Karloff directed by James Whale, for instance, or the Paul Muni biopics directed by William Dieterle for Warners. Whale and Dieterle are rarely singled out for their style or artistry, and each would have been lost without the studio's resources and regimented production process. But that doesn't diminish the integrity of films like *Frankenstein*, *The Old Dark House*, and *The Bride of Frankenstein*, or *The Story of Louis Pasteur* and *The Life of Emile Zola*.

The quality and artistry of all these films were the product not simply of individual human expression, but of a melding of institutional forces. In each case the "style" of a writer, director, star—or even a cinematographer, art director, or costume designer—fused with the studio's production operations and management structure, its resources and talent pool, its narrative traditions and market strategy. And ultimately any individual's style was no more than an inflection on an established studio style. Think of Jimmy Cagney in *Public Enemy*, staggering down that dark, rain-drenched street after a climactic shoot-out with rival gangsters, gazing just past the camera and muttering "I ain't so tough," then falling face-down into the gutter. That was a signature Warner Bros. moment, a narrative-cinematic epiphany when star and genre and technique coalesced into an ideal expression of studio style, vintage 1931. Other studios had equally distinctive styles and signature moments, involving different stars and story types and a different "way of seeing" in both a technical and an ideological sense. On a darkened,

rain-drenched street at MGM, for instance, we might expect to find a glossy, upbeat celebration of life and love—Mickey Rooney in another Andy Hardy installment, struggling to get the top up on his old jalopy while his date gets soaked, or Gene Kelly dancing through puddles and singin' in the rain. Over at Universal a late-night storm was likely to signal something more macabre: Count Dracula on the prowl, perhaps, or Dr. Frankenstein harnessing a bolt of lightning for some horrific experiment.

These are isolated glimpses of a larger design, both on screen and off. Each top studio developed a repertoire of contract stars and story formulas that were refined and continually recirculated through the marketplace. Warners in the 1930s, for example, cranked out urban crime films with Cagney and Edward G. Robinson, crusading biopics with Paul Muni, backstage musicals with Dick Powell and Ruby Keeler, epic swashbucklers with Errol Flynn and Olivia de Havilland, and in a curious counter to the studio's male ethos, a succession of "women's pictures" starring Bette Davis. These stars and genres were the key markers in Warners' Depression-era style, the organizing principles for its entire operation from the New York office to the studio-factory across the continent. They were a means of stabilizing marketing and sales, of bringing efficiency and economy into the production of some fifty feature films per year, and of distinguishing Warners' collective output from that of its competitors.

The chief architects of a studio's style were its executives, which any number of Hollywood chroniclers observed at the time. Among the more astute chroniclers was Leo Rosten, who put it this way in *Hollywood: The Movie Colony*, an in-depth study published in 1940:

Each studio has a personality; each studio's product shows special emphases and values. And, in the final analysis, the sum total of a studio's personality, the aggregate pattern of its choices and its tastes, may be traced to its producers. For it is the producers who establish the preferences, the prejudices, and the predispositions of the organization and, therefore, of the movies which it turns out.

Rosten was not referring to the "supervisors" and "associate producers" who monitored individual productions, nor to the pioneering "movie moguls" who controlled economic policy from New York. He was referring to studio production executives like Louis B. Mayer and Irving Thalberg at MGM, Jack Warner and Hal Wallis at Warner Bros., Darryl Zanuck at 20th Century-Fox, Harry Cohn at Columbia, and major independent producers like David Selznick and Sam Goldwyn. These men—and they were always men—translated an annual-budget

handed down by the New York office into a program of specific pictures. They coordinated the operations of the entire plant, conducted contract negotiations, developed stories and scripts, screened "dailies" as pictures were being shot, and supervised editing until a picture was ready for shipment to New York for release. These were the men Frank Capra rallied against in an open letter to *The New York Times* in April 1939, complaining that "about six producers today pass on about 90 percent of the scripts and edit 90 percent of the pictures." And these were the men that F. Scott Fitzgerald described on the opening page of *The Last Tycoon*, the Hollywood novel he was writing at the time of his death, in 1940. "You can take Hollywood for granted like I did," wrote Fitzgerald, "or you can dismiss it with the contempt we reserve for what we don't understand. It can be understood too, but only dimly and in flashes. Not a half dozen men have been able to keep the whole equation of pictures in their heads."

FITZGERALD was thinking of Irving Thalberg when he wrote that passage, and it would be difficult to find a more apt description of Thalberg's role at MGM. Nor could we find a clearer and more concise statement of our objective here: to calculate the whole equation of pictures, to get down on paper what Thalberg and Zanuck and Selznick and a very few others carried in their heads. After digging through several tons of archival materials from various studios and production companies, I have developed a strong conviction that these producers and studio executives have been the most misunderstood and undervalued figures in American film history. So in a sense this is an effort to reconsider their contributions to Hollywood filmmaking; but I don't want to overstate their case or misstate my own. Hollywood's division of labor extended well into the executive and management ranks, and isolating the producer or anyone else as artist or visionary gets us nowhere. We would do well, in fact, to recall French film critic André Bazin's admonition to the early auteurs, who were transforming film history into a cult of personality. "The American cinema is a classical art," wrote Bazin in 1957, "so why not then admire in it what is most admirable—i.e., not only the talent of this or that filmmaker, but the genius of the system."

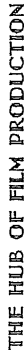
It's taken us a quarter-century to appreciate that insight, to consider the "classical Hollywood" as precisely that: a period when various social, industrial, technological, economic, and aesthetic forces struck a delicate balance. That balance was conflicted and ever shifting but stable enough through four decades to provide a consistent system of production and consumption, a set of formalized creative practices and constraints, and thus a body of work with a uniform style—a standard

way of telling stories, from camera work and cutting to plot structure and thematics. It was the studio system at large that held those various forces in equilibrium; indeed, the "studio era" and the classical Hollywood describe the same industrial and historical phenomenon. The sites of convergence for those forces were the studios themselves, each one a distinct variation on Hollywood's classical style.

This book explores the classical Hollywood by interweaving the histories of four representative companies from the rise of the studio era in the 1920s until its decline in the 1950s. Three of the companies were actual studios—Warner Bros., Metro-Goldwyn-Mayer, and Universal—and the fourth was a major independent producer, David Selznick, who climbed the executive ranks at MGM, Paramount, and RKO before creating Selznick International Pictures in 1935 and becoming a virtual studio unto himself. We will examine how these companies "worked" in both a literal and a figurative sense, tracing not only their production operations but also their marketing and sales strategies, their corporate structures and management systems. Our ultimate objective is the filmmaking process itself, which will be pursued primarily through dozens of case studies of the making of individual movies. These case studies as well as our view of the larger industrial context will be based on actual industry documents—interoffice memos, corporate correspondence, and other general records, along with the budgets, schedules, story conference notes, daily production reports, censorship files, and other materials generated for each production. Because of the complexity, cost, and fragmentation of studio filmmaking, Hollywood left its legacy not only on celluloid but also on paper, and that documentation provides a comprehensive and reliable account of the studio system at work.

Limiting this book to four representative companies was no arbitrary decision. The Hollywood studio system was, as economists and the federal courts well understood, a "mature-oligopoly"—a group of companies cooperating to control a certain market. So a close look at any one company necessarily takes them all in, and indeed all of Hollywood's important production outfits figure into this book. But looking at one studio cannot convey the richness and diversity of Hollywood filmmaking, while looking closely at them all in a single volume would be impossible due to the mass of information involved, and also the difficulty of integrating so many corporate histories into a unified narrative. The inevitable result would be a series of disjointed, cursory sketches of a dozen or so companies with only a vague sense of the overall picture.

Interweaving the stories of Warners, MGM, Universal, and Selznick will enable us to look closely at individual companies and still keep an



STUDY	EXECUTIVE	ASSISTANT	STUDY	EXECUTIVE	ASSISTANT
22 HERALD-WEST	23	24	25	26	27
28 DAWGROVE	29	30	31	32	33
34	35	36	37	38	39
40	41	42	43	44	45
46	47	48	49	50	51
52	53	54	55	56	57
58	59	60	61	62	63
64	65	66	67	68	69
70	71	72	73	74	75
76	77	78	79	80	81
82	83	84	85	86	87
88	89	90	91	92	93
94	95	96	97	98	99
100	101	102	103	104	105
106	107	108	109	110	111
112	113	114	115	116	117
118	119	120	121	122	123
124	125	126	127	128	129
130	131	132	133	134	135
136	137	138	139	140	141
142	143	144	145	146	147
148	149	150	151	152	153
154	155	156	157	158	159
160	161	162	163	164	165
166	167	168	169	170	171
172	173	174	175	176	177
178	179	180	181	182	183
184	185	186	187	188	189
190	191	192	193	194	195
196	197	198	199	200	201
202	203	204	205	206	207
208	209	210	211	212	213
214	215	216	217	218	219
220	221	222	223	224	225
226	227	228	229	230	231
232	233	234	235	236	237
238	239	240	241	242	243
244	245	246	247	248	249
250	251	252	253	254	255
256	257	258	259	260	261
262	263	264	265	266	267
268	269	270	271	272	273
274	275	276	277	278	279
280	281	282	283	284	285
286	287	288	289	290	291
292	293	294	295	296	297
298	299	300	301	302	303
304	305	306	307	308	309
310	311	312	313	314	315
316	317	318	319	320	321
322	323	324	325	326	327
328	329	330	331	332	333
334	335	336	337	338	339
340	341	342	343	344	345
346	347	348	349	350	351
352	353	354	355	356	357
358	359	360	361	362	363
364	365	366	367	368	369
370	371	372	373	374	375
376	377	378	379	380	381
382	383	384	385	386	387
388	389	390	391	392	393
394	395	396	397	398	399
400	401	402	403	404	405
406	407	408	409	410	411
412	413	414	415	416	417
418	419	420	421	422	423
424	425	426	427	428	429
430	431	432	433	434	435
436	437	438	439	440	441
442	443	444	445	446	447
448	449	450	451	452	453
454	455	456	457	458	459
460	461	462	463	464	465
466	467	468	469	470	471
472	473	474	475	476	477
478	479	480	481	482	483
484	485	486	487	488	489
490	491	492	493	494	495
496	497	498	499	500	501
502	503	504	505	506	507
508	509	510	511	512	513
514	515	516	517	518	519
520	521	522	523	524	525
526	527	528	529	530	531
532	533	534	535	536	537
538	539	540	541	542	543
544	545	546	547	548	549
550	551	552	553	554	555
556	557	558	559	560	561
562	563	564	565	566	567
568	569	570	571	572	573
574	575	576	577	578	579
580	581	582	583	584	585
586	587	588	589	590	591
592	593	594	595	596	597
598	599	600	601	602	603
604	605	606	607	608	609
610	611	612	613	614	615
616	617	618	619	620	621
622	623	624	625	626	627
628	629	630	631	632	633
634	635	636	637	638	639
640	641	642	643	644	645
646	647	648	649	650	651
652	653	654	655	656	657
658	659	660	661	662	663
664	665	666	667	668	669
670	671	672	673	674	675
676	677	678	679	680	681
682	683	684	685	686	687
688	689	690	691	692	693
694	695	696	697	698	699
700	701	702	703	704	705
706	707	708	709	710	711
712	713	714	715	716	717
718	719	720	721	722	723
724	725	726	727	728	729
730	731	732	733	734	735
736	737	738	739	740	741
742	743	744	745	746	747
748	749	750	751	752	753
754	755	756	757	758	759
760	761	762	763	764	765
766	767	768	769	770	771
772	773	774	775	776	777
778	779	780	781	782	783
784	785	786	787	788	789
790	791	792	793	794	795
796	797	798	799	800	801
802	803	804	805	806	807
808	809	810	811	812	813
814	815	816	817	818	819
820	821	822	823	824	825
826	827	828	829	830	831
832	833	834	835	836	837
838	839	840	841	842	843
844	845	846	847	848	849
850	851	852	853	854	855
856	857	858	859	860	861
862	863	864	865	866	867
868	869	870	871	872	873
874	875	876	877	878	879
880	881	882	883	884	885
886	887	888	889	890	891
892	893	894	895	896	897
898	899	900	901	902	903
904	905	906	907	908	909
910	911	912	913	914	915
916	917	918	919	920	921
922	923	924	925	926	927
928	929	930	931	932	933
934	935	936	937	938	939
940	941	942	943	944	945
946	947	948	949	950	951
952	953	954	955	956	957
958	959	960	961	962	963
964	965	966	967	968	969
970	971	972	973	974	975
976	977	978	979	980	981
982	983	984	985	986	987
988	989	990	991	992	993
994	995	996	997	998	999
1000	1001	1002	1003	1004	1005

Map of Los Angeles published in the 1930 Motion Picture Almanac, giving the location and vital statistics of Hollywood's two dozen studios at the dawn of the classical era.

eye on the development of the industry at large. As will become obvious in the following chapters, a studio's style and production operations were closely related to its market skew, and these four companies were representative of the dominant marketing strategies during the studio era. MGM and Warners were "integrated majors," along with 20th Century-Fox, Paramount, and RKO. These five studios developed their own theater chains, and they dominated the first-run movie market—the palaces and deluxe downtown theaters in major urban centers, where most of the box-office revenues were generated. The five major studios were the supreme powers in the industry, and each developed a distinctive production and market strategy relative to the number, size, and location of its theaters. Universal's marketing and production operations were considerably different since it had no theater chain and was thus a "minor" studio—though Universal was considered a "major minor" along with Columbia because its production output and distribution network were on a par with those of the majors. But Universal had nowhere near the capital or the resources of the majors, so it developed a more regulated, factory-oriented operation. The result was low-grade product and second-class status for Universal, although after the war the company would find itself ideally suited to network TV, with its brutal economies and demands for quickly produced formula-bound product.

Selznick was another story altogether. While the big studios emphasized efficiency and productivity, Selznick and other major independents like Sam Goldwyn and Walt Disney produced only a few high-cost, high-yield pictures annually. These filmmakers were in a class by themselves, turning out prestige pictures that often tested the economic constraints and the creative limits of the system, or challenged its usual division of labor and hierarchy of authority. But the so-called independents were closely tied to the studio system, and especially to the integrated majors. They borrowed the majors' personnel, leased their production facilities, and relied heavily on their first-run theaters. The independents needed the system for its resources and its theaters, while the system needed them to cultivate the "high end" of the market and to keep the first-run theaters stocked with quality product—an obvious benefit to the majors since they took a sizable exhibitor's fee on these releases.

The market strategies developed by Warners, MGM, Universal, and Selznick influenced but in no way determined production operations and house style. The movies were a “vertical” industry in that the ultimate authority belonged to the owners and top corporate officers in New York. But the New York office couldn’t make movies, nor could it dictate audience interest and public taste. And whatever the efforts to

regulate production and marketing, moviemaking remained a competitive and creative enterprise. In the overall scheme of things, the West Coast management team was the key to studio operations, integrating the company's economic and creative resources, translating fiscal policy into filmmaking practice. This demanded close contact with New York and a feel for the company's market skew, but also an acute awareness of the studio's resources and heavy interaction with the top filmmakers on the lot, particularly the directors, writers, and stars.

Because of the different stakes involved for each of these key players, studio filmmaking was less a process of collaboration than of negotiation and struggle—occasionally approaching armed conflict. But sometimes it worked, and it worked well. What's most remarkable about the classical Hollywood, finally, is that such varied and contradictory forces were held in equilibrium for so long. The New Hollywood and commercial television indicate all too clearly what happens when that balance is lost, reminding us what a productive, efficient, and creative system was lost back in the 1950s. There was a special genius to the studio system, and perhaps when we understand that we will learn, at long last, what Hollywood had been.

I THE 1920S: BEGINNINGS
