

Hollywood, U. S.-Mexican Relations, and the Devolution of the «Golden Age» of Mexican Cinema

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The 1948 release of *Río Escondido* was a triumph of the Mexican film industry. It represented the possibilities that seemed in reach of the postwar Mexican film sector: sovereign control of an economically viable, artistically vibrant, nationally dominant, mass-cultural medium capable of producing Mexican stories, myths, and images.

In the film, the President of the Republic-played in a cameo by President Miguel Alemán himself-personally sends Rosaura Salazar, portrayed by María Félix, to the town of Río Escondido to teach in a public school. He explains to her that it is her duty to fulfill the nation's destiny for a modern literate society. In the town, aided by an idealistic young doctor, played by Fernando Fernández, she challenges local corruption and intimidation-loyally serving the education program of the central government. She invokes national symbols of liberal progress and patriotism, especially Benito Juárez, in teaching her indian students. Although the film is paternalistic toward indian culture, glorifies the benevolent centralized authority of the state, and often treats various characters as sentimental stereotypes, these flaws are the same ones common to commercial mass culture worldwide. What is significant about *Río Escondido* is its nationalist plot and theme, and the way they were expressed in Emilio Fernández's script and direction and through the powerful images created by Gabriel Figueroa's award-winning cinematography. Whatever its flaws, *Río Escondido* is a decidedly Mexican film of very high technical quality.¹

The release of *Río Escondido* came during a period of tremendous quantitative and qualitative growth in the Mexican film sector. Movies represented Mexico's third largest industry by 1947, employing 32,000 workers. Mexico had 72 producers of films who invested 66,000,000 pesos (approximately U.S. \$13 million) in filming motion pictures in 1946 and 1947, four active studios with 40,000,000 pesos of invested capital, and national and international distributors. There were approximately 1,500 theaters throughout the nation, with about 200 in Mexico City alone.² Mexico's films in the late 1940s would command over 40% of domestic screentime; and roughly 15% of motion pictures exhibited in Mexico were domestically produced, more than two times the average during the 1930s [See Appendix].³

From the 1940s until the early 1950s, Mexico had one of the most important film industries in the world, the leading film producer in the Spanish-speaking world. Beside María Félix and Fernando Fernández there were numerous Mexican stars-such as Dolores del Río, Jorge Negrete, Cantinflas (Mario Moreno), Pedro Armendáriz, and Pedro Infante, among others-who were extremely popular (and often worshipped) throughout the Western Hemisphere, including the United States. Mexican films were exhibited and won prizes during these years at major

international competitions such as Venice, Locarno, and Cannes.⁴ Nationally, the epoch remains a powerful contemporary force in popular culture and collective memory.⁵ *Río Escondido* might be one of the best internationally known Mexican films of the period, but what is more significant is that it was only one of many high-quality Mexican motion pictures, focusing on national subjects, produced and distributed by domestic companies during the so-called «Golden Age» of Mexican cinema, which climaxed in the mid and late 1940s.⁶

President Alemán's appearance in *Río Escondido* represented the key role of motion pictures in the state's ideological project as well as the importance of the Mexican film industry as a symbol of national prestige and modernity. It was also emblematic of the broad interaction of the Mexican state and film industry in the 1940s.⁷ Alemán himself oversaw the growth of bureaucracies to manage and stimulate national film production, first as Secretary of Gobernación, head of the agency responsible for national mass-media policy, in the administration of his predecessor, Manuel Avila Camacho (1940-1946), and then, as we will see, as president himself (1946-1952). The state viewed Mexican films as a crucial mass-cultural dimension to national socialization. It utilized motion pictures as a means of political centralization and ideological dissemination. The Mexican government censored films, but the artistic initiative for feature motion pictures came from private sources. However, the state participated in a reciprocal informal relationship with leading domestic producers-subsidizing motion pictures that carried propaganda to the enlarged domestic film audience forged during World War II.⁸

I

Like many other areas of Mexican industry, film expanded dramatically during World War II. This growth reflected an odd combination of factors: It was both a product of import-substitution development and of U.S.-led modernization. The lapse in wartime European film production and international distribution, combined with Hollywood's reduced production of entertainment films, created new demand for Mexican films not only domestically but throughout the Western Hemisphere.⁹ Through projects developed and administered by the Motion Picture Division of Nelson Rockefeller's wartime government agency, the Office of the Coordinator of Inter-American Affairs (OCIAA), the United States government multiplied the impact of wartime global economic and political conditions in advancing the growth of the Mexican film industry. It undertook the modernization of Mexican film studios in order to develop a more authentic source of wartime propaganda for Latin American audiences. In addition, the United States allowed raw film—a commodity whose production it controlled in the Western Hemisphere and distributed through wartime quotas—to flow to Mexico and not to Argentina (the other major Latin American film producer) whose neutral attitude toward the Axis powers displeased U.S. policy makers.¹⁰

On the surface, the Mexican wartime film industry seemed to have a bright future, but owing to a number of factors its situation as the war ended was very precarious. Because U.S. aid was invested in the production sector only, it helped create an industry with greatly expanded capacity, but extremely depended upon the favorable political and economic conditions created by the war for international distribution of its product. Mexico's alliance with the United States, the drastic reduction in European imports to Latin America, and the ability of the U.S. state to restrain during wartime Hollywood producers who opposed assistance to the Mexican film industry all contributed in creating an artificial environment that hid the uneven development of Mexico's film sector. Postwar Mexican film producers lacked financial ability to import innovative producer goods and technical expertise available from the United States as well as the domestic and (especially) foreign

distribution and exhibition networks necessary to most efficiently exploit their productions. But perhaps equally important, an industry that had benefited from the positive relations its government had with the United States during World War II found in the postwar period that that close interstate relationship generally, and the aid advanced Mexico's film sector particularly, made it very difficult for the regime to adopt radically protectionist measures toward the dominant distributor of films in Mexico, Hollywood corporations.

Toward the end of World War II, U.S. government -coordinated assistance to the Mexican film industry ended. As in others areas of wartime economic and technical aid with Latin American nations, U. S. foreign policy toward the Mexican film industry radically changed as victory approached.¹¹ Policies promising development were replaced by the realities of the marketplace. This shift in U.S. policy, in an industry whose wartime dependence on U.S. support cannot be overstated, had long-term ramifications for development of mass culture in Mexico.¹²

Even the apparently strong production sector was weak in ways that a free- market relationship with the United States shortly revealed. Its problems ran deeper than questions involving the distribution and exhibition of movies or the importation of new technology and producer goods. Capital invested in Mexican film production was mainly entrepreneurial. This diffusion of capital, offset the expansion of the production plant and consumption market during the war. After the war, the organization of the Mexican industry was still much less integrated than the Hollywood corporations. Not only was production often segregated from distribution, and almost always from exhibition, but even production itself involved a multiplicity of producers each making on average only a handful of films a year.¹³ Further, the producers shared time at three or four studios of varying levels of technical capability. In short, where the U.S. industry was the ultimate in rationality, the Mexican, despite its aggregate wartime growth, was still extremely disorganized.¹⁴

These shortcomings were compounded by the fact that since the introduction of U.S. sound films in Mexico in the early 1930s, U.S. producers openly cooperated with each other in order to protect their common interests. The Motion Picture Producers and Distributors of America (MPPDA), led by former Harding administration Postmaster General Will Hays, effectively coordinated and commanded diplomatic assistance from the State Department on behalf of the eight major U.S. feature-film exporters.¹⁵ This cooperative framework was reflected locally in Mexico where the major U.S. companies formed a Film Board composed of each firm's local distribution manager, sometimes a Mexican but usually a North American, and collectively represented by a Mexican attorney, Enrique Zienert.¹⁶

II

U.S. foreign policy in the mid 1940s, building upon the experiences of the war, recognized more than ever the important role of motion pictures in furthering state interests in the postwar world. In 1944, the State Department sent a film questionnaire to diplomatic posts worldwide, that differed from earlier such information gathering in that it combined commercial issues with broader

political and economic ones.¹⁷ In making its case for diplomatic activism against nationalist media policies in foreign nations, the MPPDA made sure that the State Department understood the interaction between the market objectives of the major U.S. producers, the ideological goals of U.S. foreign policy, and the postwar U.S. political economy's dependence upon exports of mass-produced consumer goods. In October 1944, Will Hays sent Under Secretary of State Edward Stettinius a memo outlining the rationale for «Government Co-operation in Maintaining Foreign Markets for American Motion Pictures.» The MPPDA memo explained that the motion-picture «industry is unique in exports» because 40% of its products goes abroad. «That so large a portion of industry earnings must accrue abroad, renders the industry peculiarly susceptible to foreign governmental discrimination... inspired by interests competitive with United States pictures» .The memo explained that since the U.S. motion-picture industry depended upon foreign revenue to cover production expenses, the quality of domestic mass culture would be determined by Hollywood's ability to penetrate foreign markets: «The approximate forty percent of motion picture revenue which is foreign, is the margin by which supremacy of United States' pictures is financed and maintained. Bereft of these revenues, product for home consumption might suffer proportionately».¹⁸

The memo went on to offer several interrelated arguments for undermining protectionist measures by other states in the interest of U.S. foreign relations. These points ranged from the domestic economy of the United States to its international political position. Beyond its importance for national entertainment and communications, the MPPDA pointed out that, «the industry is a source of revenue in varying degree to the whole economic structure.» The memo claimed that approximately 250,000 people «derive their living in the United States from the motion picture industry,» which paid a half billion dollars a year in taxes. It also listed over fifty commodities directly stimulated by motion picture production as well as commercial revenues in other mass media due to the vast advertising time and space bought by the studios.¹⁹

Beyond the direct economic benefits of motion picture exports, there was also the importance of Hollywood exports as a means of disseminating values, ideals, and consumption patterns crucial to the emerging U.S. political economy of the 1940s. The memo pointed out that:

Just as our industry distributes its material largess with far-flung patronage of home industry, so do motion pictures carry to the world the story of United States products. It is inescapable that every entertainment picture is, secondarily, an alluring and dramatic demonstration of how Americans live and what they live with. It is not necessary to make deliberate presentation of these products for they appear inevitably on the screen. The newest styles, the latest customs, the most recent appliances are to be seen in use. The hundreds of millions of desires crystallized by motion pictures make hundreds of millions of customers at home and abroad for United States manufactures and purveyors.²⁰

Estimating that U.S. product controlled 80% of the world's screentime, the MPPDA argued that Hollywood's world hegemony represented the natural order of things, based upon the universal appeal of the images, values, and sentiments represented in U.S. motion pictures: «These are the imperishable things of which pictures are made. And they are the same the world over. Geography leaves them untouched. They are the common ground of all men everywhere.»²¹ It offered support for the internationalist justification for U.S. world hegemony emerging during World War II,²² at the same time providing an economic and political rationale for U.S. foreign policy to stymie attempts by other nations to develop their motion-picture industries at the expense of Hollywood's control:

As the most universal part of international communications, motion pictures present effortlessly and entertainingly the United States message to an interested world. A world so interested, be it remembered, that it pays a price of admission to see and hear. The government has a high purpose in keeping such a medium free, that it may never lose the public trust. It has equal interest in protecting the right of the industry to earn ample finances, that it may always be ready, able willing to perform in greater degree than any competitive agency of foreign registry can perform.²³

There was a special imperative to promote U.S. motion pictures in Latin America where U.S. foreign relations had been, according to the MPPDA, «immeasurably fostered by the showing of documentary and entertainment films.» The memo emphasized that, «it is ardently to be desired that the power of the film in all its forms should be preserved to the people of the United States, not surrendered to non-hemispheric productions.»²⁴ Yet despite this warning of possible «European blandishment,» the real threat to Hollywood's control of Latin American movie screens was not from a «non-hemispheric» world rival to U.S. power, but, as we will see, from a third-world neighbor, Mexico.

Finally, the MPPDA, after pointing out the special threats posed by British and Soviet motion pictures to Hollywood's domestic and international (especially Latin American) position, made clear what they expected from U.S. foreign policy in opposing the development of foreign film industries through nationalist policies:

Any degree of subsidy by foreign government of foreign industry for purposes of competing with United States industry thus appears quite properly a matter for our government's active interest. The imposition of discriminatory taxes, restrictive orders, quotas and regulations in limitation of United States' distribution, are matters clearly within the indicated sphere of our government's inquiry and action.²⁵

Although the MPPDA stressed the inherent superiority of Hollywood films, it was not willing to risk the development of competitive producers in other nations.

The convergence of Hollywood and U.S. foreign-policy objectives served the expansion of U.S. culture abroad. But it had particular significance for Latin America. The importance of Latin America for Hollywood grew during World War II, as European and Asian markets were less accessible to North American product, at the same time the Mexican film industry was expanding its domestic production and hemispheric exports. As the war ended, the nature of Hollywood's collaboration with U.S. foreign policy metamorphosed. World War II had transformed foreign policy's primary relationship to U.S. mass-culture industries from that of commercial representation to coordinating ideological programs-exemplified by the work of the OCIAA's Motion Picture Division.²⁶ While the end of the war induced Hollywood to reemphasize its commercial agenda with the State Department it was now irreversibly integrated into the international propaganda programs of postwar U.S. foreign policy. Each reinforced the other.²⁷

The Hollywood-based public corporation established by the OCIAA and administered by top industry executives to coordinate Latin American activities of the studios (including the modernization of the Mexican film industry)-the Motion Picture Society for the Americas (MPSA)-demonstrated this alteration.²⁸ In formulating its postwar mission, the Society explained clearly how objectives Hollywood's dovetailed with the goals of U.S. foreign policy:

An opportunity of historic proportions is now offered to our industry. The power of this great medium will be manifest not alone in money but in ideological influence over nations.

Both the President of the United States and the State Department have publicly proclaimed the motion picture as the medium which can stabilize and insure two-way friendship. Needless to say, the Latin America area is a vital consideration for the industry on behalf of the people of the United States.

Beyond pointing out that Latin America was the key to U.S. defense, with Mexico representing a crucial position, these industry leaders emphasized the unequal but interdependent nature of the economies of the United States and Latin America in maintaining the political economy of the United States by finding markets for consumer goods, raw materials for industrial production, and investments for U.S. capital. The executives noted that:

The industrial development of the other American republics should exceed any other area of the world. ...It has been estimated that in the decade following the war, Latin America will need U.S.\$ 9,000,000,000 worth of heavy machinery. The United States [is] a market for Latin American raw materials in the post-war period due to the depletion of our own reserves. This means more buying power in the Latin American countries, which builds a market for American export product. From the business standpoint, the Latin America market is the fastest expanding area in the world. Spot checks of motion picture progress in the various countries of Latin America are already beginning to reveal the enormous potential of this great area.

Echoing the MPPDA's warnings, the Society emphasized that «under the guise of cultural activities,» England, France, and Britain would actively promote their revived film industries in the «other Americas» after World War II.²⁹

The above statement accurately describes the basis of the collaboration of Hollywood and the State Department. The industrialization of Latin American nations during the Depression and World War II, combined with the wartime acceleration of Mexican film production, had expanded the demand for motion picture throughout the hemisphere. As the producer of a major international commodity, Hollywood- organized in the MPPDA-historically had strong support from the State Department. The interests of the government complimented and supplemented the interests of the studios. U.S. foreign policy makers saw Hollywood films as crucial to the ideological and cultural influence of the United States throughout the Western Hemisphere and to the broader reinforcement of the interamerican economic relationships crucial to the political economy of the United States. As Will Hays put it in justifying his request for a State Department assault on new Mexican attempts at regulating motion-picture exhibition in 1944, he did so «merely out of a desire to further the development of the cooperative program in which we are both so interested.»³⁰

The increasingly Hollywood-friendly attitude of U.S. foreign policy in the 1940s, generated State Department sensitivity to the dilemma posed by Mexican film production for the U.S. industry. The U.S. embassy expert on the Mexican motion-picture industry noted in 1944 the impact of the wartime growth in Mexican film production on that industry's distribution needs: «One of the results of this rapid development of the motion-picture industry here has been the production of a larger number of films and a natural desire to find the Mexican outlets for the exhibition of these films.» Ultimately, though, U.S. diplomats were confident that Hollywood's dominant position in Mexico was secure, owing to the dependence of Mexican producers on exports of films to the Spanish-speaking United States, Mexico's most easily reached and largest realized market. If Mexico attempted to limit the distribution of U.S. films in order to develop its industry's domestic market «it would eventually lead to retaliation in the United States against Mexican pictures. In view of this situation the Mexican Government might be willing to enter into some overall

agreement for protecting the rights of American distributors in Mexico and the distribution of Mexican pictures in the United States.»³¹ The containment of the Mexican film industry's development through diplomatic insistence on free-trade became the dominant feature of Hollywood's and the U.S. government's film policy towards Mexico.

Even before World War II ended, Mexican producers recognized their dependency on U.S. foreign policy and the pending threat of increasingly intense postwar competition at home and abroad from Hollywood. In reviewing the situation of the Mexican film industry at the outset of 1945, the leading editorialist of *El Cine Gráfico*, the Mexican film industry's most important business publication, pointed out to his colleagues that the Mexican industry was at a crossroads: To secure long-term growth and development it would have to resist the temptation of sacrificing quality for short-term profits. Instead of using Mexico's expanded plant to imitate Hollywood films, the industry should aim for distinctively Mexican pictures, of high technical and artistic quality, that would carve out a special niche not only in Mexico but also in the world's immense Spanish-speaking film markets.³²

This was a timely strategy, for the U.S. motion-picture industry was planning to contain and diminish Mexican production as the war entered its final phase. No longer controlled by the need of the state-directed U.S. war complex to coordinate mass culture in the Western Hemisphere, Hollywood, working together with the State Department, began to reorganize itself in order to dominate Latin American movie screens. Its major competition for control of Spanish-speaking audiences was the Mexican industry. In 1944, the State Department official responsible for the interests of Hollywood articulated for his superiors the problems presented by the Mexican industry for U.S. distributors in Latin America: «The leaders of the American film industry are increasingly disturbed over the inroads being made into their Latin American business by Mexican films and they attribute this almost entirely to OCIAA's efforts in behalf of the Mexican industry.»³³ In appealing for the support of the State Department, Hollywood made it clear that since U.S. actions had helped Mexico take advantage of the market opportunities presented by World War II, U.S. producers now expected their government to return to its traditional relationship with U.S. motion picture distributors operating in Latin America: facilitating the hegemony of U.S. motion-pictures throughout the Western Hemisphere as a promoter of broader U.S. economic and political goals as well as providing a service to a major North American export industry .

III

Like the U.S. film industry, Mexico's depended upon exports. This was particularly acute given the wartime growth of Mexico's film production due to the indirect and direct factors mentioned above. With the postwar resumption of full-scale Hollywood production and the end of U.S. government assistance, Mexico required foreign markets not simply in order to grow but to survive. Moreover, despite the wartime growth in Mexico's film sector, the United States continued to dominate Mexican exhibition [See Appendix]. Hence, the development of foreign film markets was crucial to Mexico's ability to continue to take national control of its domestic mass culture.

Mexican film was an unusual Latin American export commodity in that it was a manufactured good. It was unique also in terms of the traditional patterns of U.S. - Mexican economic interaction in that it was a commodity that flowed both ways in significant quantities

across the Río Bravo. This two-way media flow reflected the cultural web that bound the historical development of the United States and Mexico, in this case: the long-standing presence of U.S. movies in the Mexican market (preceding the development of Mexico's own sound film industry) and the large Hispanic, especially Chicano/a, populations in the United States that demanded Mexican motion pictures.

Beyond the importance of foreign markets for Mexico's domestic film industry, motion-picture exports benefited key international interests of the state. They were a major source of foreign exchange-crucial for Mexico's balance of payments. Further, foreign exhibition of Mexican motion-pictures promoted trade, investment, tourism, and hemispheric political influence. For these reasons a Mexican Council of Foreign Commerce study argued for the «necessity of encouraging and coordinating, through the State or with its intervention, the activities of the film industry in Mexico, and of fixing the standards of quality which are necessary to the prestige and the economic standing of the country.» The state viewed foreign film markets as integral to Mexican postwar national development and international relations. The survival and growth of a major national industry would allow for the sovereign control of Mexican mass culture.³⁴

Mexican motion-picture producers viewed Latin America as their backyard. Mexico had developed mass audiences throughout the region during World War II. Streamlining hemispheric distribution and increasing its share of Latin American screentime was a primary objective of postwar Mexican media planners. Although the United States produced the single highest average gross for Mexican films, the combined national markets of the Western Hemisphere far exceeded it, and in Spanish-speaking nations Mexican film imports appealed to national mass audiences, unlike their exports to the United States which (rarely subtitled) were limited to regional markets.³⁵ Moreover, by the end of World War II, no other Latin American nation had a domestic film sector that could compete with Mexican exports in an open market.

In the long-run, despite the dominance of U.S. motion pictures throughout the Western Hemisphere, Mexican films held obvious cultural advantages in competing with Hollywood. In Latin American nations, unlike the European market, cultural factors could counter-balance the economic and political advantages held by postwar Hollywood. Yet despite such advantages, Mexico faced serious direct and indirect problems generated by Hollywood and the U.S. government. Because U.S. films often accumulated profits or at least covered their costs in the U.S. market, Mexican officials complained it was «possible for them to sell their pictures at a low price abroad or to sustain losses.» Particularly in Latin America (politically weaker than, for example, Western Europe during the cold war), Hollywood took advantage of U.S. diplomatic demands for a postwar mass-media free market that made it difficult to develop audiences for Mexican films.³⁶

U.S. control of film stock also curtailed Mexican production at a critical juncture in the Mexican film industry's development. In early 1944, the OCIAA's representative in charge of overseeing aid to the Mexican film industry, Frank Fouce, «estimated that there are approximately twenty or twenty-five million pesos that were frozen in completed pictures which producers have been unable to exploit or exhibit, due to the shortages of raw film for release prints.»³¹ He estimated that Mexico was capable of producing 126 films a year if its raw stock requirements were met. (In fact Mexico never distributed more than 67 during the war).³⁸ In an overview of the Mexican industry's situation, Fouce concluded that, «shortage of raw film continues to be the paramount problem for all producers.»³⁹ Fouce warned leaders in the Mexican industry, who controlled the distribution of U.S.-supplied raw film in Mexico, to limit their production schedules and to discourage the entry of new producers (ones who also would have been less integrated into

the developing U.S. system in Mexico) into the motion-picture sector: «The mad scramble for raw film must cease and cease immediately, restrictions must be placed upon new producers and the infiltration of new capital, and you must also exercise a control on the number of pictures that each producer contemplates within his production schedule for the year.»⁴⁰ Fouce urged the U.S. government to increase its raw film allocation to Mexico for 1944 by 10,000,000 feet. But he warned that full production needs could not be met in Mexico, because its film sector lacked the necessary exhibition and distribution facilities to exploit its expanded production. Fully meeting Mexican requests for virgin film would generate animosity towards U.S. policies that had contributed to the Mexican film sector's uneven wartime development, as backlogs caused financial problems for Mexican producers-especially when the war ended and full-force Hollywood competition resumed.⁴¹ One way Mexican producers found greater access to wartime film supplies as well as distribution and production facilities was through collaboration with Hollywood concerns -such as Columbia Pictures- which used U.S. supplied Mexican stock to produce prints of Mexican films for distribution through its Latin American organization.⁴²

As the war ended, *El Cine Gráfico* complained about the increasing difficulty Mexican producers had in obtaining raw film stock from the United States, rhetorically pondering why it was that the United States preferred to supply «sufficient film to Russia, India and England, but not to Mexico, the good, but poor and weak, neighbor to the south.»⁴³ By 1947, the situation was critical, a Mexican government study reported that «the quota of unexposed film assigned by the United States government during the past war, continues to be insufficient for [our] already limited national film production needs.»⁴⁴ Without freer access to this essential producer good, Mexico could not take advantage of the growing Latin American demand for prints of its feature films.

IV

The question of domestic and international demand for Mexican films is an important and complicated one involving regional, class, ethnic, and national factors. Nonetheless, the overall statistical and impressionistic evidence allows for drawing a conclusively comprehensive portrait, depicting the high popularity of Mexican films throughout the Spanish-speaking Western Hemisphere: Mexican motion pictures were more popular than their major competition, Hollywood films.⁴⁵

The Mexican film industry's most important market was its domestic audience. After World War II, the industry's increasing number of higher-quality films -reflecting its maturation- were more popular than U.S. motion-pictures. In 1947, the U.S. consulate in Monterrey observed that, «distributors report that the income for good Mexican films is approximately 20 percent greater than that for U.S. films. The increase in production and improvements in Mexican films, especially those starring the leading Mexican stars, are beginning to make them more popular than United States films.»⁴⁶ A year later, the U.S. embassy noted that «good Mexican films are preferred to any foreign films.» Especially popular were «typically Mexican pictures. These films are the 'Westerns' of Mexico. Heavy melodrama, romance, and tear-jerkers.»⁴⁷ In 1949, the Embassy reported that, «despite the predominant position of the United States in respect to the number of features shown, Mexicans absorbed a high percentage of the total number of exhibition hours.» In Mexico City, where foreign films were more popular than in any other area of the nation, Mexican films controlled 42.44 % of exhibition time in 1946, 41.2% in 1947, and 41.8% for the first half of 1948.⁴⁸

Postwar trends among Mexican audiences existed in other Latin American nations. In Cuba, arguably the Latin American nation most economically and culturally linked to the United States, the U.S. embassy reported that: «Artistically and technically Mexican movies are not comparable with United States and European pictures. However, Mexican movies have been able to portray the national spirit, institutions, character, and social organism of Mexico, which to a large degree are similar to those in Cuba.» In fact, except for Hollywood productions that featured «fast-paced action», the kind of expensive spectacles beyond the production capacities of the rest of the world's film industries, Cuban «film distributors and theater owners say that Mexican movies are more popular [than Hollywood's] in Cuba outside of Habana and Santiago. » The high quality of postwar Mexican films and their reflection of Latin American themes and genres made them popular not only in the provinces but also in large cities, where «more than a dozen distributors, including branches of United States studios, unanimously agree that Mexican films hold a unique, high place in the affections of the representative Cuban theatergoer.» Even Hollywood action films were less popular than Mexican films when they took place in locales unfamiliar to urban Cuban audiences. The popularity of Mexican films transcended the fact that they were in Spanish. Not «having to read Spanish sub-titles of English-language movies, is an important but not the fundamental reason for the partiality shown Mexican films.» The report pointed out that, «films produced in Argentina and Spain are in Spanish, yet their popularity outside of Habana is no greater than United States, Italian, and French films.»⁴⁹

In the late 1940s, Spanish-speaking populations throughout the Americas chose high-quality Mexican productions over Hollywood's, as long as the supply satisfied the demand for entertainment. In the Spanish-speaking Americas, Mexican films, with few exceptions, were second behind the United States as far as the number of titles released-exporting almost its entire production to each nation of the Western Hemisphere, sometimes exceeding 40% of the films shown in a given country, surpassing Hollywood's distribution in certain Latin American markets, such as Venezuela. Moreover, despite the larger number of U.S. films distributed in Latin America, Mexican films played longer and on more screens than U.S. films. As in Mexico, they were especially popular with working class, provincial, and mestizo audiences as opposed to upper middle and upper class urban audiences. In part this reflected trends in literacy, since most U.S. films were subtitled. Yet it also represented the more national, or less international, perspective of the lower classes.

However, as Mexican films improved, they threatened to cut into Hollywood's control of middle-class audiences as well. The U.S. commercial attaché in Lima noted, «the advantage enjoyed by pictures with Spanish dialog [sic] ...remains important, particularly in theaters catering to the less educated components of the population. An improvement in the quality of such pictures would immediately enhance their competitive position.»⁵⁰ The most popular Mexican films were comedies and musicals, films that had Latin American contexts not present in Hollywood productions. By contrast, the most popular Hollywood films were ones that represented distinctively North American genres such as gangster pictures, romance films featuring North American images of beauty and sexuality, and high-budget spectacles.

In Chile, the U.S. embassy observed that Mexican «films offer competition to United States films because of their greater acceptance outside of the larger cities.» Even in larger cities, Hollywood «films are well received but in general do not enjoy any preference over other foreign-produced films.»⁵¹ The U.S. Bureau of Foreign and Domestic Commerce reported that, «the recent improvement in the quality of Mexican films and the importation thereof on a larger scale has 'blown the lid' off of Nicaraguan box office receipts with individual pictures out-grossing even the

best United States films.» And the immediate outlook for Hollywood was bleak: «One theater chain,» according to the U.S. commercial attaché in Managua, «has agreed to exhibit 109 Mexican pictures as compared with a tentative schedule of approximately 165 United States films» in 1947. A major cause for this region-wide surge was that, «Mexican films more clearly depict the Latin American point of view.»⁵² In Venezuela, where the percentage of Mexican films shown in 1948 exceeded that of U.S. movies, trade representatives observed that «Mexican films are preferred to all other films and it is believed that they would enjoy an even greater share of the market if more films could be supplied. »⁵³ In Peru, local distributors of U.S. films imported on average two or three prints «of the more popular films.» While «distributors of Mexican motion pictures frequently import 10 or more prints for simultaneous release in several theaters.»⁵⁴ In El Salvador, U.S. diplomats reported that not only had the popularity of Mexican films increased in recent years but also «that Mexican films are given preferential treatment by the distribution monopoly.»⁵⁵

The increased and more advanced production of Mexican films during World War II had allowed for the postwar expansion of exports. The U.S. commercial attaché in Colombia concluded, «the enormous improvement in the technique of Mexican features» allowed for the Mexican film industry to take advantage of its linguistic and cultural advantages. It dwarfed the crippled postwar Argentine film industry's regional exports, which in Colombia were four times smaller than Mexico's.⁵⁶

The evidence is clear, in the postwar 1940s the Mexican film industry had great potential to become the leading exporter of film to Latin America –crucial to its ability to maintain itself as a dominant domestic mass medium. Yet despite this greater popular demand and in some cases official support for Mexican motion pictures in Latin America, the market for Mexican product was limited by a concerted use of tactics collectively engaged by the major studios. Principally, they controlled independent theater owners-at home and abroad-through the business technique of «block booking.» In order to obtain a company's best films, a studio required exhibitors to take an entire package of films, the bulk of which were mediocre but tied up the theater's screentime. In Peru, for instance, official U.S. observers noted that despite the inroads being made by postwar Mexican exports, the United States still held decisive advantages. In terms of demand, «such factors as outstanding direction and production techniques» as well as «steady and ample supplies» of films, something the Mexican industry could not meet, countered the growing popularity of Mexican productions. But more decisively, as far as exhibition, the «special arrangements for the release of pictures in theaters owned or controlled by distributors also favor United States productions.»⁵⁷ When combined with U.S. diplomatic pressure for mass-media free trade, increasing difficulty for Mexican producers to obtain raw stock to meet market demand, Hollywood's international business tactics made it very difficult for Mexican producers to expand their exports.

V

The controversy that developed between Mexico and the United States over postwar foreign film distribution in Spain, offers an example of how Hollywood and the State Department interacted in reducing Mexico's ability to expand its foreign motion- picture distribution. It also demonstrates the unfortunate relationship between Mexico's need to develop new markets for its postwar film industry and its decisive short-term dependence on its U.S. Spanish-speaking markets.

By 1945, U.S. international trade policies were no longer shaped by official, liberal, U.S. war time ideology. The United States took advantage of its emerging world economic hegemony to expand its markets and political power regardless of the illiberal political orientations of non-communist governments. The new international satan would now be on the left. Where communism was not a factor, the main threat to U.S. media policy was economic not political. The State Department challenged nationalist media regulation and protection and, especially, policies that did not favor Hollywood's position among foreign film producers.

As the war ended Spain's film industry became more dependent on U.S. policies, nonetheless the Franco government tried to further the development of private-sector motion-picture production through state intervention. Just as Mexico viewed Spanish-speaking audiences in the Americas and Spain as crucial markets, the Spanish government, according to U.S. Ambassador Norman Armour, held «the conviction that [it] should have a motion picture industry capable of producing films which can find ready markets in the countries of Latin America» as well as the U.S. and European nations with which it «has historical, cultural and blood ties.» Domestically, the Spanish government desired a national film industry that should serve «educational as well as entertainment» functions. Spanish officials estimated that with state support-including the imposition of film quotas and exchange controls on foreign motion-picture distributors-Spain could produce 70 films in 1946 leaving about 150 for foreign imports. Armour noted that, «The American industry has complained against the measures which the Spanish government has taken to fortify its economic and exchange position or which have been used to protect and foster a domestic industry which Spain wishes to develop.» He concluded that, «The position of American films in Spain may become progressively worse unless some device is found to arrest the strong nationalistic trend,» since «the Embassy's protests and exhortations have been unavailing.»⁵⁸

Ambassador Armour confronted directly the increasingly nationalist film policies of the Franco government by exploiting Spain's desperate need for virgin film, a commodity in short supply in war-ravaged Europe. In April 1945, he reported to the State Department that: «It will be possible only to use raw stock as a bargaining power during the perhaps short period of scarcity and control and its value will be lost, therefore, unless used now. There is always the possibility that Spain may try to obtain raw stock relief from other supply countries.»⁵⁹ Armour pointed out to Spanish officials that Hollywood's market objectives in Spain would have to be satisfied «before the United States can be expected to view sympathetically the problems which are resulting from short age of raw stock.»⁶⁰ As negotiations over the postwar Spanish market intensified in the last quarter of 1945, Assistant Secretary of State for economic affairs, William Clayton, instructed Ambassador Armour that: «In view of the present film negotiations underway at... Madrid, the Department believes that the American position... would be jeopardized by the release at this time of raw film shipments.» He suggested that the Spanish government be advised that resolution of the «American motion picture situation» in Spain would «find this Government receptive to suggestions for the resumption of raw stock shipments.»⁶¹ only to State Department media officials but also to Carl Milliken, Foreign Director of the MPPDA, Armour reported that, «It is suggested that 270 foreign films are required annually to service Spanish theatres adequately and that American films should constitute not less than two-thirds or 180 of this number.» In addition, to establishing this quota, the United States sought other measures which would insure that «American films [were] accorded equality of treatment in all respects with films of Spanish origin.»⁶² Three days later, the U.S. embassy reported an agreement that achieved all of the MPPDA's goals including the principal issue: «the number of films to be imported.»⁶³

Under its final agreement with Spain, the MPPDA obtained two-thirds of the, 1946 Spanish foreign film quota for U.S. product, or 120 of the 180 films Spain allowed to be imported that year. The main reason Hollywood was able to gain this overwhelming market share was that the Spanish film industry, like the Mexican, was dependent upon U.S. government-controlled supplies of raw stock in order to produce motion pictures.

Mexico protested the advantageous position Hollywood carved out for itself in Spain. As in other nations, the MPPDA and the State Department had worked hand-in-hand in Spain to negotiate an agreement that violated long-established U.S. principles about free trade and open markets. Mexican producers considered Spain a natural market for their product, and an important gateway to potential markets in the rest of Europe. Mexican diplomats accused the United States of taking advantage of its control of a primary resource in the negotiations between the MPPDA and the Spanish government over the film quota. They also felt that the United States unfairly benefited from the lack of Mexican diplomatic relations with Spain, which had dissolved with the rise of Franco in the 1930s. The representative of the Association of Mexican Film Producers and Distributors complained to the State Department that the U.S. agreement with Spain left Mexico, Britain, France, Argentina, and Italy (the five major sources, aside from the United States, of imported films to Spain) to «divide, arbitrarily, the balance of 60 full length pictures as remaining, after the agreement signed by the Spanish government and the representative of the Will H. Hays Committee [MPPDA]. That would mean, if divided equally, that Mexico would be limited to the exportation of 12 full length pictures for the coming year.»⁶⁴

U.S. embassy officials who monitored the Mexican industry recognized that the postwar dependence of Mexican producers on Spanish-speaking U.S. markets, meant that Mexico's bargaining power was small. Although the potential for Mexican film markets in other areas of the Spanish-speaking world was certainly greater than those existing in the United States. Mexico lacked the distribution networks and lucrative audiences already established in its U.S. market, which represented its single largest foreign audience. The U.S. embassy expert on the motion-picture industry pointed out that «the market in the United States for Mexican pictures is many times greater than the Spanish market for Mexican films.» concluding «that the American market will continue to be much more important than any Spanish market which could be developed.» He noted that Mexican producers were very aware of their dependence on the U.S. market. Since the United States did not impose any restrictions on imported Mexican films, it was understood by them that North American producers expected, and their government would insist upon, reciprocity. It was, therefore, virtually impossible for Mexico to contemplate enacting film quotas in retaliation for the Spanish situation, unless it risk similar measures by the United States which would mean disaster for its film sector.⁶⁵

By 1946, Hollywood boasted that: «The popularity of American pictures in Spain is unchallenged. Currently, 80 per cent of the pictures shown there are American... The Spanish exhibitor, who must work hard at selling even his native productions, finds selling American pictures easy.»⁶⁶ Despite significant popular demand for Mexican films, in 1946 Mexico exported only 29 films to Spain, in 1947 only 22- about one-third and one-fourth, respectively, of its production in each of these years.⁶⁷

The above episode was a significant precursor of U.S.-Mexican film relations during the postwar 1940s in two ways: First, the United States divorced its foreign trade principles-expressed in its rhetoric of open markets-from the dealings of the MPPDA around the world, which

undermined the competitiveness of the global culture market, with devastating consequences for a developing producer nation like Mexico. Second, the State Department used access to U.S. Spanish-speaking markets and control of raw film stock as leverage to contain the Mexican industry.

VI

Due to the combination of Hollywood's business practices and the diplomatic support of the United States in Spanish-speaking nations, Mexican film exports lost ground in the postwar world market. In evaluating the condition of the national film industry's export potential at the outset of 1948, *El Cine Gráfico* lamented that «Mexican cinema had been in the position of possessing all the world's markets» but now found foreign distributors wary of the quality of many films. The inability to expand exports and organize itself domestically was damaging the quality of Mexican productions and the film sector's general standing.⁶⁸

By the late 1940s, Mexican media planners worried not only about the difficult task of promoting exports but also about protecting their domestic motion-picture market from U.S. domination. They lamented the fact that «there is no legislation in our country which limits the importation of foreign films and enables the Mexican industry to face the sharp competition which exists.» Despite postwar proposals to require domestic exhibitors to reserve 50% of their screen time for national product, no such radical protection was successfully instituted. Instead government film experts consulting with leading producers recommended a combination of state promotion of the film sector (including moderate protection and much needed credit) and the continued aggressive pursuit of foreign markets.⁶⁹

Having failed to find significant new foreign markets or to erect meaningful import controls of Hollywood product, the regime responded to the disintegrating tendencies in the film sector by increasing its organization and coordination of all facets of the industry. Between 1948 and 1950, the Mexican state undertook measures aimed at developing its national film sector: it enacted a comprehensive *Ley de Cinematografía*, creating a tripartite *Comisión Nacional de Cinematografía* (including representatives of labor, government, and capital); took over the operation of the previously privately managed *Banco Cinematográfico*; built state-owned theaters to draw Mexican productions; organized an international distribution company aimed at Latin America; created the *Dirección General de Cinematografía* in the *Secretaría de Gobernación* (which regulated domestic political administration as the most important state ministry) as coordinator of all motion-picture activity in Mexico.⁷⁰

Bureaucratic innovation did not end the dependence of Mexican producers on the U.S. market, given their inability to break the U.S. hold on most of the world's movie screens (let alone Mexico's). The state soon attempted to utilize these new tools by initiating protective regulation-involving taxation and quotas-aimed at increasing Mexico's share of its national market. State measures designed to compensate for the political and economic advantages held by Hollywood in the Mexican market provoked determined U.S. opposition. The State Department led the way. Invoking the rhetoric of the «Open Door,» it insisted upon Mexican reciprocity for the accessibility of Spanish-speaking U.S. markets-even as it threatened the survival of a major national industry and the cultural sovereignty of its World War II ally and emerging cold-war partner. Mexico, though, demonstrated its ability to resist complete U.S. mass-media domination. One case-relating to taxes-is considered below.

During 1948 and 1949, the Mexican state began to address the limitations on Mexican film production imposed by the position of the United States in the Mexican motion-picture market with a variety of moderately protectionist measures. Among the most troublesome new regulations for Hollywood was the imposition of taxes on the distribution of foreign films-which meant mainly U.S. productions. In fact, Mexico was not so much imposing new taxes as it was exempting domestic distributors from a long-standing 5% tax on gross receipts of film exhibition. This exemption supported the national industry in two ways: It reduced the relative profitability of the Mexican market for Hollywood, protecting domestic production. And the revenue was to be used to finance promotional policies on behalf of domestic motion-picture producers that they had previously paid out of their own receipts. By taxing exhibition rather than imports, Mexico formally circumvented its 1942 reciprocal trade agreement with the United States. This new exemption-combined with a separate new 3% tax on film distribution, that also exempted domestic product, and a drastic increase in censorship fees-panicked U.S. distributors who convinced the leading embassy analyst of the film industry that the «series of discriminatory burdens borne by our industry are rapidly making the distribution of American motion pictures in this country impossible.»⁷¹ The film industry's local representative, Enrique Zienert, warned «that only the strongest diplomatic pressure will bring the companies any relief.»⁷²

The argument put forth by the State Department on behalf of the MPPDA was that the new regulation violated the spirit if not the actual stipulations of sections of the 1942 Trade Agreement covering motion pictures. It was pessimistic that it could use the agreement to force Mexico to revise radically its new policies, which were technically legal. It did feel that political pressure and threats of retaliation could force Mexico to back down, keeping its movie screens open-except for very modest regulations-to U.S. films.⁷³ Nonetheless, some Hollywood and State Department officials feared the threat of a nationalist reaction to overtly coercive efforts.

Unfortunately for Mexico, its new policies coincided with yet another crisis for its film industry. The U.S. Internal Revenue Service (IRS), responding to an unrelated recent Supreme Court decision, reevaluated its tax policies toward the two U.S. companies, Azteca and Clasa Mohme, that distributed Mexican films in the United States. Although, apparently an independent matter, the IRS decision to tax (retroactive to 1936) the exhibition of Mexican motion pictures at the rate of 31% on rents and royalties became intertwined with U.S. efforts to eliminate the new Mexican protectionist taxes.

Leaders of the Mexican industry lobbied the ruling regime, pointing out that Mexican films on average only covered 40% of their costs in the domestic market, relying on exports for the other 60%. By contrast, they argued, Hollywood was domestically self-sufficient and made huge profits in its foreign markets.⁷⁴ Early on in the conflict, *Cinevoz* (the bulletin of the recently formed Comisión Nacional de Cinematografía) declared on its front page that, in order to reopen the North American market, «the government of Mexico would have to impose a strong tax on films that arrived from beyond the [Río] Bravo.»⁷⁵ For several months in 1949-1950, the two principal U.S. distributors of Mexican motion pictures refused to import Mexican films while the case was considered by the IRS and negotiated by U.S. and Mexican diplomats.

Mexican officials threatened severe limitations on U.S. film exhibition in Mexico as retaliation for the prohibitive taxes that had forced Mexican films to withdraw from the United States. A leading Mexican diplomat, and expert on the film industry, defended retaliatory protection before U.S. embassy representatives, arguing that «American films in Mexico offer serious competition to Mexican films, and we cannot let our industry die.»⁷⁶ However, despite such protestations, Mexico never enacted the high screen quotas it threatened. And, tellingly, it was Mexican producers who in the end urged their government not to stand up for their long-term interests. Profits in the U.S. market (where ticket prices were higher than in Latin America) were roughly equal to the revenue derived by Mexican producers in their domestic market. The Mexican industry could not afford to wait out the United States. It needed to return to the U.S. market and was willing to forsake not only the 5% tax but also the principle of regulating the Mexican market for the benefit of domestic cultural and industrial development. It was the state that encouraged the film producers to hang tough, especially after Mexico had committed its diplomatic capital to the negotiations.⁷⁷

Despite the Mexican industry's dependence on Spanish-speaking U.S. audiences, the importance of the Mexican market was not lost on U.S. officials. The embassy recommended that the State Department work out a *modus vivendi* with the Mexicans because «the loss of the Mexican market would deprive the United States motion picture industry of an estimated three to four million dollar[s]» annually. Recognizing their potential problems, U.S. producers encouraged the State Department to use the IRS to pressure Mexico to remove its new protectionist taxes, and also supported the removal of the U.S. taxes. Rather than risk the loss of an important market—undercutting its world-wide drive for a mass-culture open door, and encouraging nationalist media policies in other nations—Hollywood supported the free-flow of Mexican films to U.S. Spanish-speaking audiences (it did not compete for anyway).⁷⁸ Moreover, the recent development of Mexico's film industry made U.S. producers fear leaving that market, even temporarily, would dangerously stimulate Mexican production.⁷⁹

Mexico increased its regulation of U.S. films during the taxation controversy by requiring import licenses for foreign reissues.⁸⁰ On one level, local U.S. diplomats interpreted this legislation as part of the general effort of the Mexican state to promote growth in its post war film sector—without outrightly violating its 1942 Trade Agreement with the United States safeguarding the free-flow of North American motion pictures—by creating internationally nondiscriminatory, bureaucratic obstacles to the importation of U.S. films. But on another level, the problem was understood as related to Mexico's recent forced retreat from the U.S. market. While denying that the delays were retaliatory, the Mexican Director General of Cinematography told U.S. embassy officials that «because of the serious situation in which Mexican producers find themselves as the result of their temporary loss of the United States market» the entire question of distributing Hollywood reissues was being reconsidered.⁸¹

The Chief of the Motion Picture Unit of the U.S. Bureau of Foreign and Domestic Commerce, Nathan Golden, had long experience supporting Hollywood's global interests. He proved instrumental in resolving the IRS crisis. Understanding that Hollywood's long-term goals would be served by the return of Mexican product to U.S. Hispanic audiences, he advised Mexican film representatives about how to handle their tax problems. In doing so, he demonstrated the interest of U.S. film companies in maintaining a status quo as far as the position of Mexico in the global mass-culture market. As long as Mexico had important U.S. audiences, it was unlikely that it could or would erect protectionist barriers to U.S. exports—preserving not only Hollywood's position in the Mexican market, but also its hegemony throughout the Spanish-speaking world.⁸²

For somewhat different reasons, U.S. diplomats in Mexico also urged accommodation with Mexican authorities. In protecting the interests of U.S. distributors, the embassy was more sensitive than the State Department to the political and ideological dynamics of the problem at hand. U.S. Ambassador Walter Thurston warned against «antagonizing» the Mexican government, which considered the United States «morally responsible for heavy losses on the part of the Mexican motion-picture industry» -owing to its forced withdrawal from U.S. markets.⁸³ Despite the hardline taken by the State Department-refusing to accept the Mexican position that its IRS problems were retaliation for protectionism-the embassy consistently encouraged a simultaneous compromise that would work to the long-term political and economic advantages of the position of U.S. motion pictures in Mexico.⁸⁴

The embassy's acceptance of Mexican linkage of the two issues facilitated the resolution of the dispute, allowing the Mexican regime to save face. Eventually, Mexican motion pictures reentered the U.S. market without prohibitive taxes. Hollywood and the State Department had defeated another attempt to develop the Mexican film industry through state intervention. U.S. diplomacy, in this case, offers an example of how the United States, despite its rhetoric of free trade, cultural open doors, and antistatism, has intervened historically in pursuit of international hegemony.

The embassy understood that the larger issue for Mexico was to defend its film industry-its leading producer of sovereign national mass culture -even if it meant limited growth in the long run. The IRS controversy was used to eliminate the protectionist measures. The short -term dependence of Mexican producers on the U.S. market made it difficult for them or for their state to effectively combat U.S. domination of the Spanish-speaking world's movie screens. In finally urging capitulation, Mexican producers had come to terms with their dependence on the U.S. market.

But the negotiations between Mexico and the United States also demonstrated the space Mexico could find to defend basic interests, even if it could not fundamentally change the dependent position of its film industry. The Mexican film industry, state, and official ideology were too developed to be dictated to by Hollywood or the State Department. The same modernizing forces that had created a mass market for U.S. consumer culture also had produced a relatively autonomous nation.⁸⁵ Mexico's negotiations with the United States revealed a degree of interdependence between the two nations' film industries, as well as the mutual stake for U.S. and Mexican political elites in preserving their general alliance.

The segregation of production from exhibition, and the relatively small and underdeveloped distribution systems, in the Mexican industry represented another dimension of film-sector dependence on the United States, adding to Mexico's difficulty in developing effective protectionist policies.⁸⁶ Exhibition was a huge industry that depended upon U.S. product -not only because of the popularity of U.S. films- but also because of the high demand for films, period. In a market forged principally by U.S. product, the reduction of U.S. distribution, unless instituted gradually and in a controlled way (something the MPPDA and the State Department were constantly on guard to obstruct) would destroy the large privately owned exhibition sector -leaving the market undersupplied, hurting workers, and disappointing growing film audiences. Given the credible threat by U.S. companies, in their negotiations with Mexico in the late 1940s, that they would boycott the Mexican market if protectionist measures of any kind were enacted, there was no way conceivable that the reduction in films would not be dramatic.⁸⁷

The dependence of exhibitors on U.S. product was deeper, in many ways, than that of the

producers on the U.S. market. Exhibitors made money by showing U.S. films and did not want to sacrifice those interests in the name of national production. The exhibition sector employed more workers than any other area of the film industry, and those workers were organized in the nationally powerful Sindicato de Trabajadores de la Industria Cinematográfica (STIC). Despite serious labor conflict in the exhibition sector throughout the 1940s, there was a clear consensus when it came to the foreign interests of workers and private theater owners; both groups relied on the constant flow into Mexico of U.S. motionpictures.⁸⁸ The local representative of the U.S. distributors believed that the only reason that, during the late 1940s, the Comisión Nacional de la Cinematografía had not been able to carry out radical programs aimed at challenging U.S. hegemony in Mexican or foreign film markets was «largely because of opposition to them by exhibitors who have held membership on the Commission and as members have defended the interests of American producers and distributors.»⁸⁹

When serious limitations on U.S. film imports were threatened during the 1949 IRS conflict, organized exhibitors had made their interests clear to the regime. The president of the Asociación Nacional de Empresarios de Cines explained to President Miguel Alemán that national production «does not cover the needs of the [Mexican] market. » Beyond problems of quantity-affecting capital and labor -there also was the question of the qualitative demands of Mexican audiences, the masses who had been introduced to the movies, and the ritual of movie going, principally by U.S. films. As the Asociación pointed out, U.S. productions were of «of great quality» and desired by the Mexican public. Moreover, Mexican producers required contact and even competition with «the forward advances of the [foreign] cinematographic industry» in order to progress.⁹⁰ Despite the popularity of national films, and whatever ambivalence Mexicans might have had about gringos or the U.S. government, the movie-going masses clearly adored the likes of Humphrey Bogart, James Cagney, Ava Gardner, and Joan Crawford, as represented not only in box office receipts for U.S. films, but also in mainstream Mexican popculture.⁹¹ Thus domestic social factors-linked to the cultural influence of U.S. films-were significant in limiting the postwar growth of the Mexican film industry

Serious disputes over Mexican foreign film regulation would arise again, most notably Mexico's attempt to enact a 50% quota in 1950, but the same factors dominant in the 1948-1949 confrontation dictated future outcomes: Mexico's dependence on U.S. markets, Hollywood's involvement in various sectors of the Mexican film industry, and the State Department's political and economic intervention in Mexico and other Spanish-speaking countries made radical regulation untenable.

VII

The 1940s demonstrated that Mexico's position in the world-culture system corresponded with its semi-peripheral standing in the world economy. Its demand for motion pictures reflected its relatively high level of development for a third-world nation, signified by its growing mass society. Also, Mexico did not just consume metropolitan mass culture, it produced its own-reflecting its recent burst of industrialization. And it exported its product to peripheral areas-including Hispanic U.S. communities-that did not produce their own motion pictures.⁹² Moreover, its ability to defend, if not expand, its mass-cultural production, reflected the strength and complexity of its national

political system.

The limits of the postwar Mexican film industry also underlines its semi-peripheral development. Lacking Hollywood's organization and power -derived from its size, backward and forward linkages, its international organization, its long-standing influence in Mexico, and the support of U.S. foreign policy-Mexican producers had trouble competing with U.S. companies not only abroad but also in their domestic market. Mexican producers also depended upon U.S. sources of new technologies, expertise, and virgin film; their films always lagged technically behind U.S. productions. Without heavy subsidization -of the scale received from the United States during World War II- Mexican producers could not afford the start-up costs of importing new equipment and technologies.⁹³

The postwar Mexican situation reflected the problem of trying to regulate a U.S. industry that established its Mexican position prior to the development of Mexico's film industry, did not depend on the Mexican market, and enjoyed an international economy- of-scale. The Mexican state chose to support its national film industry in a state-led framework that did not directly challenge U.S. mass-media hegemony. The result was films of inferior quality, ultimately limited as far as foreign distribution. Increasingly after World War II, with the exception of certain Mexican films (like those of Buñuel), the U.S. and Mexican film industries settled into an international division of production for Spanish-speaking audiences: Mexico produced what would be termed in the United States B-pictures, while higher-quality North American imports continued to dominate Latin American screens. Although this relationship allowed Mexico's aggregate share of its screentime to grow (especially as Hollywood's production declined in the 1950s), it grew at a much slower rate after the 1940s [See Appendix].

Dependence on U.S. markets-combined with U.S. diplomatic and economic power, which reinforced the highly organized North American export film industry (represented by the MPPDA)-was the major factor in obstructing Mexican attempts at development through increased Latin American exports and moderate protection. In the end, Mexican producers, less organized than their vertically-integrated and internationally-combined U.S. competitors, were unable to sacrifice their short-term needs for long-term planning. Mexico lacked the domestic financial means and political power to develop a film industry that could take full advantage of international demand for its product. Inevitably, producers turned to the state for help. But it was unable and unwilling to construct a radical system of protection that would have restricted U.S. access to Mexican screens. In the end, the decline of the Mexican film industry resulted not from lack of domestic or international demand for its films but from pressures applied by Hollywood and the State department which exacerbated internal weaknesses.

Would radical protectionist measures have worked? Probably not in the long- run, unless the Spanish-speaking world coordinated similar policies toward U.S. films.⁹⁴ As we saw in the cases involving Spanish, Latin American, and U.S. markets, this was goal to achieve. Because of their dependence on foreign markets, Mexican producers could not fully support radical protection, they instead looked for greater subsidization and promotion by the state. A ware of the integral role of mass culture in postwar foreign policy-as a promoter of U.S. trade, ideology, and social engineering-and owing to the intimate relationship between Hollywood corporations and the U .S. government, the State Department was particularly aggressive in obstructing even modest attempts at cultural nationalism. Mexican exhibitors -whose strongest business links were with Hollywood distributors- often aided U.S. efforts to undermine state promotion of the film industry .Mexico

learned that it was impossible for it to be a member of a capitalist, world-culture system dominated by the United States and at the same time build the internationally competitive film industry necessary in order to have a vibrant and sovereign domestic one.

The Mexican film industry that seemed poised at the end of World War II to break the limitations of import-substitution industrialization, obtaining durable international markets, was in the end limited by the direct and indirect dependence of its three sectors on U.S. factors. The links between production, distribution, and exhibition sectors of the Mexican film industry and the United States were, in the final analysis, much stronger than their links to each other. Paradoxically, nationalist films of the Golden Age -like *Río Escondido*- were the cultural product of an industrial situation to a large extent generated by Mexico's World War II alliance with the United States then undone by the continuation of that alliance after the war. But that perhaps has been the paradox of the Mexican state since the 1940s (if not earlier): rhetorically nationalist but structurally aligned-politically and economically-with its North American neighbor.

Appendix: FILMS EXHIBITED IN MEXICO, 1930-1955

	<u>1930</u>	<u>1935</u>	<u>1940</u>	<u>1945</u>	<u>1950</u>	<u>1955</u>
USA	212	207	338	245	249	211
MEX	4	24	37	67	105	77
ARG	-	1	26	31	9	1
OTH	58	55	48	20	103	70

Source: The chart was compiled from data contained in AMADOR, María Luisa -AYALA BLANCO, Jorge. *Cartelera cinematográfica*, Vols. 1-3, México, DF: Centro Universitario de Estudios Cinematográficos, UNAM, 1980, 1982, 1985.

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(1) Raúl de Anda produced *Río Escondido* in 1947 at Azteca Studios. The author viewed

many Mexican films, including the above, at the Filmoteca Nacional in Mexico City, the Film Archive of the University of California at Los Angeles, and at the Motion Picture and Broadcasting Division of the Library of Congress in Washington, D.C. For an important contribution to the understanding of the national qualities of Figueroa's work, see *El Arte de Gabriel Figueroa: Artes de México* (Invierno 1988); see, also, DEY, Tom. "Gabriel Figueroa: Mexico's Master Cinematographer." *American Cinematographer* (March 1992): 33-40; for Figueroa's reflections on his work, see ISAAC, Alberto. *Conversaciones con Gabriel Figueroa*. Guadalajara: Universidad de Guadalajara. 1993. One of the most eloquent and perceptive commentators on the significance of the Golden Age for national culture is Carlos MONSIVAIS. See, especially, "Notas sobre la cultura mexicana en el siglo XX." *Historia general de México*. 2a ed. México. DF: El Colegio de México, 1977, pp. 434-359.

(2) «A Study of the Exportation and Distribution Abroad of Mexican Motion Pictures,» a copy of this study was «borrowed,» copied, and translated by the U.S. embassy during trade negotiations with Mexico in 1947. Merwin L. Bohan, Counselor for Economic Affairs, U.S. Embassy. Mexico City to the State Department (hereafter cited as SD), 6 November 1947. National Archives Washington, D.C. (hereafter cited as NA) Record Group 59 (hereafter cited as RG 59) 812.4061 Motion Pictures (hereafter cited as MP)/11-647, pp. 1-2. There were probably closer to 2.000 exhibition spaces in Mexico when informal sites and those escaping official tabulations are factored in, see HEUER, Federico. *La industria cinematográfica mexicana*. México. DF: Federico Heuer. 1964, pp. 58-69.

(3) «Motion Picture Industry in Mexico, 1948.» *World Trade in Commodities*. Vol. VII, Part 4. No.28 (September 1949): 2.

(4) For an idea of how important such international recognition was for the Mexican film industry in this period, see «El Festival de Cannes,» *Cinevoz*. No.57 (4 September 1949): 1; and «Los Premios del Festival de Venecia» *Cinevoz*. No.58 (11 September 1949): 1.

(5) A few examples are: Mexican television broadcasts Golden Age films almost daily and the Filmoteca Nacional of the Universidad Nacional Autónoma de México (UNAM) and the government-supported film complex, the Cineteca Nacional, both in Mexico City, regularly show Golden Age films to large audiences; a recent special edition of a Mexican popular mass-distributed magazine presented «Grandes rostros del cine mexicano,» devoted entirely to numerous glossy photos and short feature articles about Golden Age Mexican movie stars, see *Somos*, Edición Especial (1 September 1993); since the 1993 death of Cantinflas, the Fundación Mario Moreno Reyes has published a series of very popular magazines titled «*Ahí está el detalle ...*», named for Cantinflas. first hit, that commemorate his memory; each year a mass outdoor public memorial, including the projection of film clips, is held in Mexico City to honor the still revered Pedro Infante who is often compared to, and competes favorably with, contemporary sex symbols in popular magazines; the recent publication of popular -yet serious- biographies such as TAIBO I, Paco Ignacio. *La Doña*. México, DF: Planeta, 1991, about María Félix, and by the same author, *El Indio Fernández*. México, DF: Planeta 1991, about actor and film maker Emilio Fernández; Mexico issued stamps, in 1993, commemorating: Cantinflas, Félix, Infante, Armendáriz, del Río, and Negrete; in discussing the recent international success of the Mexican film industry, film makers and critics draw artistic comparisons to the Golden Age as well as consider how to counter the international economic and cultural difficulties vis-a-vis the U.S., industry experienced in the in the 1940s and 1950s, in rebuilding a vibrant film sector, see GONZALEZ, Marco Vinicio. «Cine mexicano en Nueva York,» *Semanal, La Jornada*, No.230 (7 November 1993): 38-46; and during 1992, María Félix's views on the pending North American Free Trade Agreement were considered worthy of news coverage in serious daily newspapers-incidentally, she opposed the agreement as a threat to national sovereignty .

(6) As a cultural epoch, the Golden Age began in the mid 1930, and lasted through the early 1950s. An encyclopedic work that offers the most comprehensive introduction to the films of this

period is GARCIA RIERA, Emilio. *Historia documental del cine mexicano*, Vols. 2-4. México. DF: ERA, 1970, 1973, 1974); important analysis and criticism are offered in DE LOS REYES, Aurelio. *Medio siglo de cine mexicano (1896-1947)*. México, DF: Trillas, 1987, especially chapters 4-6; and AYALA BLANCO, Jorge. *La aventura del cine mexicano*. México, D.F.: ERA, 1968; the best English language treatment of this period is found in the more general work by MORA, Carl J. *Mexican Cinema: Reflections of a Society, 1896-1988*. Berkeley: University of California, 1989, chapters 3 and 4; see also KING, John. *Magical Reels: A History of Cinema in Latin America*. London: Verso, 1990. pp. 41-54 and pp. 129-144.

(7) In the 1930s, the Mexican state's supported individual projects-like the production of *Redes* (1934) subsidized by Mexico's Secretaría de Educación Pública, directed by Austrian Fred Zinnemam and Mexican Emilio Gómez Muriel and photographed by North American Paul Strand-which depicted a local struggle for social justice; or films about the revolution-such as *Vámonos con Pancho Villa* (1935) directed by Fernando de Fuentes -that offered ideological support for the regime's political project.

(8) For instance, the influential Mexican-based company, España, México, Argentina (EMA), produced «Noticieros» or regular newsreels subsidized and approved by the Mexican government, see for example, EMA to Rogerio de la Selva, Archivo General de la Nación Mexico City (hereafter cited as AGN), Ramo Alemán, 523.3/4.

(9) Some media scholars overemphasize the expansion of U.S. distribution in Latin America during World War II. The political and economic conditions created by World War II combined with the foreign policy of the United States offered opportunities for the growth of the Mexican film industry. Such growth took place within a dependent framework but one that was much more complicated and ambiguous than these writers perceive. See DE USABEL, Gaizka. *The High Noon of American Pictures in Latin America*. Ann Arbor: University of Michigan, 1982, pp. t 145-156; and SCHNITTMAN, Jorge, *Latin American Film Industries: Dependency and Development*. Norwood, NJ: Ablex. 1984. pp. 21-26.

(10) At the outbreak of World War II, Argentina was the largest producer of motion pictures in Latin America. By the end of the war, Mexico surpassed it.

(11)Two critical studies of U.S.-Mexican relations during World War II are NIBLO, Steven. «The Impact of War: Mexico and World War II,» *Latrobe University Institute of Latin American Studies Occasional Paper*, No.10 (1988); and TORRES, Blanca. *Historia de la revolución mexicana: México en la segunda guerra mundial*. México. DF: El Colegio de México. 1979.

(12) An excellent recent study, involving thorough multiarchival research, of the relationship between diplomacy and economic processes in the international motion-picture market is JARVIE, Ian. *Hollywood's Overseas Campaign: The North Atlantic Movie Trade 1920- 1950*. New York: Cambridge University. 1992. His conclusions-reflecting, in part, the nations (Canada and Britain) and the issues (trade more than industrial development) he concentrates on-give less efficacy, than mine, to the diplomatic intervention of the United States in determining the pattern of development. An earlier study on the international film trade, less based in archival research, that reaches more critical conclusions is GUBACK, Thomas. *The International Film Industry: Western Europe and America since 1945*. Bloomington: University of Indiana, 1969. Also, see the two works, cited above: DE USABEL. *High Noon*, which examines the Latin American operations of United Artists between 1920 and 1951 and SCHNITTMAN, *Latin American Film Industries*, which is an interesting theoretical work that considers the impact of Hollywood on Latin American film industries.

(13) Even in a peak year, like 1949 when over 90 films were produced, no company produced more than 10 films, most produced between 2 and 3. There were exceptions to this pattern involving Mexican inroads made by Hollywood corporations during World War II, such as RKO's partnership in Estudios Churubusco and Columbia Pictures's aggressive acquisition of Mexican

films for Latin American distribution (see also note 86).

(14) García Riera, notes that during the war, a few successful companies, especially CLASA and Films Mundiales, accumulated capital and became more horizontally and vertically organized than others; *Historia documental*. Vol. 2, pp. 50-58.

(15) These were, MGM, Paramount, Universal, Columbia, RKO, Universal, Warner Brothers and United Artists.

(16) This cooperative business/government relationship-based in the oligopolistic tendencies of the U.S. distributors in Mexico -was worked out very early on. When the United Artists Corporation Mexican manager demanded. in 1934, exhibition information about the southern state of Chiapas, the U.S. consul in Veracruz questioned the propriety of supplying a particular U.S. film company with commercial information. The U.S. Consul General in Mexico City replied that: «Perhaps you will better be able to understand his inquiry by my explaining that the American film distributing companies in Mexico are united in an association for the purpose of mutual protection;» S.L. Seidelman to H.O. Williams, 11 May 1934; H.O. Williams to Thomas D. Bowman, 14 May 1934; Thomas D. Bowman to H.O. Williams. 17 May 1934, NA RG 84. Veracruz Consulate General Records, Mexico, 840.6.

(17) SD Circular «American Motion Pictures in the Postwar World,» 22 February 1944, NA RG 59,800.461/409A.

(18) Will H. Hays to Edward R. Stettinius, 12 October 1944 «Government Co-operation in Maintaining Foreign Markets for American Motion Pictures.» NA RG 59 800.4061 MP/10-1244. pp.1.6.

(19) Hays to Stettinius, 800.4061 MP / 10-1244, p.5.

(20) Hays to Stettinius, 800.4061 MP /10-1244, p. 7.

(21) Hays to Stettinius, 800.4061 MP/10-1244, pp. 3-5.

(22) For an excellent analysis of the role of «internationalism» in the rise of Abstract Expressionism as a dominant world art movement in the 1940s, see GUILBAUT, Serge. *How New York Stole the Idea of Modern Art: Abstract Expressionism, Freedom and the Cold War*. Chicago: University of Chicago, 1984; for a comprehensive study of this decisive transition in U.S. foreign relations during the 1940s, see DIVINE, Robert. *Second Chance: The Triumph of Internationalism during World War II*. New York: Pantheon, 1967.

(23) Hays to Stettinius, 800.4061 MP/10-1244, pp. 7-8.

(24) Hays to Stettinius, 800.4061 MP/10-1244, pp. 11-13.

(25) Hays to Stettinius, 800.4061 MP/10-1244, p. 10.

(26) The only study to comprehensively address the mass-media operations of the OCIAA in Mexico is, ORTIZ GARZA, José Luis. *México en guerra: La historia secreta de los negocios entre empresarios mexicanos de la comunicación, los nazis y E.U.A.* México, DF: Planeta, 1989. The study's wide scope, however, leads to an incomplete picture of motion-picture relations, see pp. 53-54, pp.161-177, p. 193; for an excellent study of the OCIAA's work in radio, see FEJES, Fred. *Imperialism, Media, and the Good Neighbor: New Deal Foreign Policy and United States Shortwave Broadcasting to Latin America*. Norwood NJ: Ablex, 1986; for the relationship between the Office of War Information and Hollywood, see KOPPES, Clayton - BLACK, Gregory. *Hollywood Goes to War: How Politics, Profits, and Propaganda Shaped Movies During World War II*. Berkeley: University of California, 1987.

(27) Before World War II, most of the State Departments work involving Hollywood's interaction with other states and societies involved reports from commercial attachés based in embassies to the Bureau of Foreign and Domestic Commerce. By the 1950s, the crucial figure was

the Public Affairs Officer linked to the work of the United States Information Service.

(28) At different times Joseph Breen, head of the MPPDA's Production Code Administration, and Walter Wanger, a leading producer, served as the Society's president. Other moguls such as Louis B. Mayer and David O. Selznick served on its Board and were active in planning and executing its projects.

(29) «Fourth Draft of History of Motion Picture Society of the Americas,» December 4, 1944, NA RG 229, Records of the Office of the Coordinator of Inter-American Affairs, Entry 78, Box 961, pp. 79-80.

(30) Will Hays to Edward R. Stettinus, June 15, 1944, NA RG 59, 812.4061 MP/6-1544.

(31) «American Motion Pictures in the Post-War World,» Guy W. Ray, Second Secretary of Embassy, Mexico City to SD, 11 April 1944, NA RG 59,812.4061 MP/319.

(32) «De Enero a Diciembre,» *El Cine Gráfico*, 1 January 1945, p. 18.

(33) Francis Colt de Wolf to Lawrence Duggan, 1 March 1944, NA RG 59,812.4061 MP/314.

(34) «A Study of the Exportation and Distribution Abroad of Mexican Motion Pictures,» NA RG 59,812.4061 MP/11-647 , pp. 8-9; see also HEUER, *La Industria Cinematográfica Mexicana*, pp. 4-5.

(35) On average, a Mexican film grossed 76,000 U.S. dollars in foreign exhibition in the 1940s, with the U.S. market contributing the most, \$15,000 (almost twice the value of the next most lucrative market) but representing only about 20% of total foreign gross receipts. Statistics come from «A Study of the Exportation and Distribution Abroad of Mexican Motion Pictures,» NA RG 59,812.4061 MP/11-647, p. 7.

(36) «A Study of the Exportation and Distribution Abroad of Mexican Motion Pictures, » NA RG 59, 812.4061 MP/11-647, pp. 21, 22.

(37) Frank Fouce to Francis Alstock, 3 October 1944, NA RG 84, Mexico City Embassy General Records, 840.6-MP. Fouce -an owner of Spanish-language movie theaters in Los Angeles, who had associations as a consultant and independent Spanish-language film producer with Hollywood studios in the 1930s, and in the 1950s would own a string of Spanish-language television stations in the southwest United States- was contracted by OCIAA to oversee day-to-day administration of U.S. development of Mexican production. Robert G. Dickson offers excellent background on Fouce's early career, in "El Teatro California," *La Opinión*, Section E, 1 March and 8 March 1992, pp. 1, 4 and 3, 4, respectively.

(38) Frank Fouce to Francis Alstock, 24 February 1944, NA RG 84, Mexico City Embassy General Records, 840.6-MP.

(39) Frank Fouce to Francis Alstock, 3 April 1944, NA RG 84, Mexico City Embassy General Records, 840.6-MP.

(40) Frank Fouce to Antonio Villardel, Cia. Vendedora de Películas, S.A., 19 February 1944, NA RG 84, Mexico City Embassy General Records, 840.6-MP, Mexican Motion Picture Industry .

(41) Frank Fouce to Francis Alstock, 20 June 1944, NA RG 84, Mexico City Embassy General Records, 840.6-MP. Unlike the State Department, which was always more oriented towards Hollywood's interests than the Mexican film industry's, the OCIAA (motivated by its wartime ideological/cultural project) mainly sought the expansion of the Mexican film industry but recognized the limits of its program-which expanded production of Mexican films but did not further development of the overall industry (especially exhibition and distribution sectors) and in fact deepened the Mexican film industry's dependence on U.S. private and public film policies.

(42) George Canty , SD, to Guy Ray, U.S. Embassy Mexico City, 30 September 1944, NA

RG 84, Mexico City Embassy General Records, 840.6-MP.

(43) «De Enero a Diciembre,» *El Cine Gráfico*, 1 January 1945, p. 18.

(44) «A Study of the Exportation and Distribution Abroad of Mexican Motion Pictures,» NA RG 59,812.4061 MP/II-647, p. 27.

(45) In *Hollywood's Overseas Campaign*, Ian Jarvie has argued differently. He asserts that the main reason for U.S. motion picture supremacy in the Canadian and British markets was that Hollywood's films were more popular than domestic productions. It is, of course, difficult to compare the case of Mexico to Britain and Canada, due to the extreme differences regarding their cultural relationships to the United States. Recent scholarship has shown how foreign audiences and international politics shaped the representation of various nationalities, including Mexico's, in Hollywood films, see VASEY, Ruth. «Foreign Parts: Hollywood's Global Distribution and the Representation of Ethnicity,» *American Quarterly* Vol. 44., No.4 (December 1992): 617-642. The debates about why U.S. popular culture is so pervasive internationally is of central importance to this study. For an excellent synthetic overview of this literature, see TONELSON, John. *Cultural Imperialism: A Critical Introduction*. Baltimore: Johns Hopkins University, 1991.

(46) «Motion Pictures in Monterrey Consular District of Mexico,» *World Trade in Commodities*, Vol. V, Part 3, No.23 (October 1947): 1.

(47) «Motion Picture Industry in Mexico and Costa Rica,» *World Trade in Commodities: Motion Pictures and Equipment*, Vol. VI, Part IV. No.18 (Department of Commerce, June 1948): 2.

(48) «Motion Picture Industry in Mexico, 1948,» *World Trade in Commodities*, Vol. VII. Part 4. No.28 (September, 1949): 2.

(49) «Digest of International Development-Motion Pictures,» *World Trade in Commodities*, Vol. VII, Part4, No.35 (November 1949): 3.

(50) «Digest of International Developments,» *World Trade In Commodities*, Vol. VII, Part 4, No.9 (February 1949): 3.

(51) «Motion Picture Industry in Chile,» *World Trade in Commodities*, Vol. VII, Part 4, No. 22 (July 1949): 2.

(52) «Motion Picture Industry and Equipment in Nicaragua,» *Industrial Reference Service: Motion Pictures and Equipment*, Vol.V, Part3, No.14 (June 1947): 1-2.

(53) «Motion Picture Industry in Venezuela,» *World Trade in Commodities*, Vol. VI, Part 4, No.26 (November 1948): 2.

(54) «Motion Picture Industry in Peru,» *World Trade in Commodities*, Vol. VII, Part 4, No.5 (January 1949): 2.

(55) «Motion Picture Industry in El Salvador,» *World Trade in Commodities: Motion Pictures and Equipment*, Vol. VI, Part4, No.11 (March 1948): 2.

(56) «Motion Picture Market in Colombia,» *Industrial Reference Service*, Vol. V, Part 3, No. 2 (January 1947): 2.

(57) «Digest of International Developments,» *World Trade in Commodities*, Vol. VII, Part 4, No.9, (February 1949): 3.

(58) «American Motion Picture Industry in Spain,» Norman Armour to SD, 12 April 1945, NA RG 59,852.4061 MP/4-1245.

(59) Norman Armour, U.S. Embassy Madrid to SD, 2 May 1945, NA RG 59, 852.4061 MP/5-245.

(60) Norman Armour, U.S. Embassy Madrid to SD, 13 June 1945, NA RG 59, 852.4061

MP/6- 1345.

(61) William L. Clayton to Norman Armour, 7 September 1945, NA RG 59, 852.4061 MP/9-1245.

(62) Norman Armour to William Colt de Wolf and Carl Milliken, 19 September 1945, NA RG 59, 852.4061 MP/9-1945.

(63) Norman Armour, U.S. Embassy Madrid to William Colt de Wolf and Carl Milliken, 22 September 1945, NA RG 59, 852.4061 MP/9-2245.

(64) «Letter of Protest from the Association of Mexican Film Producers and Distributors Concerning Allocation of Spanish Film Quota,» pp. 1-2, quoted in letter from Guy Ray, First Secretary of the U.S. Embassy in Mexico City to SD, 11 December 1945, NA RG 59, 812.4061 MP/12-1145. See also Miguel A. Saña, Gerente, Asociación de Productores y Distribuidores de Películas Mexicanas to Francisco Castillo Nájera, Secretario de Relaciones Exteriores, 29 November 1945; Nájera to Mexican Ambassador, Washington, D.C., 22 December 1945; Nájera to Saña, 22 December 1945; Rafael Colina, Mexican Embassy, Washington, D.C. to Secretaría de Relaciones Exteriores, 23 January 1946, Secretaría de Relaciones Exteriores Archivo Histórico, Mexico City (here after cited as SREAH) III-2495-5.

(65) Guy Ray, First Secretary of the Embassy, to SD, 11 December 1945, NA RG 59, 812.4061 MP/12-1145.

(66) «U.S. Product is Leader in Spain, Director Says,» *Motion Picture Herald*, 19 January 1946, p.28.

(67) «Motion Picture Industry in Spain, 1948,» *World Trade in Commodities*, Vol. VII, Part 4, No.17 (June 1949): 2. These trends persisted, see «U.S. Pictures Lead in Spain,» *Motion Picture Herald*, 19 February 1949, p. 36.

(68) «Año Nuevo, Vida Nueva,» *El Cine Gráfico*, 4 January 1948, p. 2.

(69) «A Study of the Exportation and Distribution Abroad of Mexican Motion Pictures,» NA RG 59, 812.4061 MP/11-647, pp. 7,26-27.

(70) These measures resemble the pattern observed by Peter Evans: The regulatory power of third-world states grow as they confront private-sector transnational organizations generated by developed nations; see his «Transnational Linkages and the Economic Role of the State: An Analysis of Developing and Industrialized Nations in the Post-World War II Period,» in EVANS, Peter- RUESCHEMEYER, Dietrich -SKOCPOL, Theda (eds.) *Bringing the State Back In*. New York: Cambridge University, 1985. For analysis of the interrelationship between the state and the development of the film sector in other more-developed Latin American nations during the 1940s, see SCHNITTMAN, *Latin American Film Industries*, pp.27-47; and, JOHNSON, Randal. *The Film Industry in Brazil: Culture and the State*. Pittsburgh: University of Pittsburgh, 1987, pp.41-63.

(71) Merwin L. Bowan, Counselor for Economic Affairs, Mexico City Embassy to SD, 27 December 1948, «Difficulties of American Motion Picture Industry in Mexico,» NA RG 59, 812.4061 MP/12-2748. In 1947, the United States unsuccessfully tried to negotiate another comprehensive trade agreement with Mexico. The Sindicato de Producción Cinematográfica, led by figures as Gabriel Figueroa, campaigned against freer trade with the United States and for protection of Mexican film production. See AGN, Ramo Alemán 523.3/11.

(72) Quoted in letter from John McCarthy, Manager of the International Division of the Motion Picture Association of America to Merrill C. Gay of the SD, 11 April 1949, NA RG 59, 812.4061 MP/4-1149.

(73) In different areas of Mexico, local laws reserved minimum amounts of screentime for domestic product, but not enough to be threatening to U.S. interests. Later, the national government would issue regulations to ensure the presence of domestic product on motion-picture screens, but

again at levels too low to hurt Hollywood. Rather than indicating the modest threat of U.S. mass culture to Mexican society, these minimum quotas demonstrate the need for the government to regulate exhibition to ensure even very small domestic mass-culture outlets.

(74) Letter from Miguel A. Saña, Director of the Asociación de Productores y Distribuidores Nacionales to the Secretario de Relaciones Exteriores, 4 November 1949, SREAH, 111-1654-9.

(75) «En Estados Unidos las Películas Mexicanas Pagarán el 30 por Ciento de Impuesto,» *Cinevoz*, No.66-67 (20 November 1949): 1.

(76) William Nesselhof, Mexico City Embassy to SD, 10 March 1950, NA RG 59,812.452/3- 1050.

(77) William Nesselhof, Mexico City Embassy to SD, 6 February 1950, «Reaction of Mexican Motion Picture Producers to Proposed United States Tax on Mexican Films,» NA RG 59, 812.452/2-650.

(78) William Nesselhof, Mexico City Embassy to SD, 24 March 1950, NA RG 59,812.452/3- 2450.

(79) In the incipient days of Mexican sound film production in the early 1930s -when U.S. product commanded 90% of Mexican screentime- Hollywood was much less concerned about the long-term implications of such an absence from Mexican cinemas than during the late 1940s. See Lew B. Clark, Acting Counselor for Economic Affairs, U.S. Mexico City Embassy to SD, 3 November 1949, «Discriminatory Taxation of United States Film Distributors in Mexico,» NA RG 59,812.4061 MP/11-349, p. 4.

(80) A reissue -as defined by the Dirección General de Cinematografía- was a film that had played in Mexico more than thirty months earlier. Hollywood distributed such films to supplement their new releases with past hits.

(81) William Nesselhof, Mexico City Embassy to SD, 14 April 1950, NA RG 59, 812.452/4-1450.

(82) SD Memorandum of Conversation, 15 November 1949, «Tax Problem in Connection with Distribution of Mexican Motion Pictures in the United States,» between: Rafael Nieto and Nicolás Graham Gurría of the Mexican Embassy; Ruben Calderón, Azteca Films, Inc.; Richard Dunlap, Clasa Mohme, Inc.; Nathan Golden, Chief, Motion Picture Unit, Bureau of Foreign and Domestic Commerce; Isaiah Frank, Division of Commercial Policy, State Department, NA RG 59, 812.4061 MP/11-1549.

(83) Walter Thurston, Mexico City Embassy to SD, 19 May 1950, NA RG 59,812.452/5-1950.

(84) Assistant Secretary of State Dean Acheson to Mexico City Embassy, 25 April 1950, NA RG 59, 812.452/3-1450.

(85) Media relations between the United States and Mexico resemble political patterns examined in HAMILTON, Nora. *The Limits or State Autonomy: Post Revolutionary Mexico*. Princeton: Princeton University, 1982.

(86) Even an internationally successful example of Mexican film production ultimately integrated itself into the distributive network of a U.S. company. In the 1940s Columbia Pictures gained the distribution rights to Cantinflas' motion pictures (produced in Mexico by Posa Films). In addition to underlining the existing hegemony of U.S. corporations in the world-culture system, Columbia's acquisition also represented a further rationalization of that system: Unable to produce authentic mass entertainment for Spanish-speaking markets, Columbia appropriated a successful Mexican product; unable to fully or efficiently exploit its product Posa Films turned to the distribution and marketing organization of a North American multinational corporation.

(87) In 1935, the U.S. companies boycotted the Mexican market for several months until the government backed-down on similar proposed taxes on foreign films. The Foreign Manager of the Motion Picture Producers and Distributors of America had been correct at the time in predicting that, «it is, of course, impossible for the theatres in Mexico to keep open without American pictures and I am sure that with pressure on the Mexican government from the theatre interests it will bring them around sooner or later ,» see Frederick Herron, Chief of the MPPDA's International Division, to Herbert S. Bursley, Division of Mexican Affairs, SD, 6 September 1935, NA RG 59,812.4061 MP/137. I examine this episode in my paper "El cine, el Estado mexicano, y la política exterior de los Estados Unidos," Desde Arriba, Desde Abajo: Relaciones México-Estados Unidos en los Treinta Conferencia, Instituto Mora, Mexico City, 13 January 1994.

(88) Merwin L. Bohan, Mexico City Embassy to SD, 13 September 1948, NA RG 59, 812.4061 MP/9-1348.

(89) Lew B. Clark, Acting Counselor for Economic Affairs, Mexico City Embassy to SD, 3 November 1949, «Discriminatory Taxation of United States Film Distributors in Mexico,» NA RG 59,812.4061 MP/11-349, p. 4.

(90) Antonio de G. Osio to Miguel Alemán, 9 November 1949, AGN, Ramo Alemán, 523.3/57.

(91) Mexican fan magazines, such as *Cinema Reporter*, as well as daily newspapers, reported regularly on Hollywood celebrities who also were used as examples in advertising. *El Cine Gráfico* ran a regular column in the 1940s titled «Feminidad», which instructed Mexican women on fashion, beauty and general lifestyles drawing frequent parallels to images in Hollywood films.

Also Mexican films increasingly imitated Hollywood genres. For example, gangsters appeared more frequently than rancheros as subjects of Mexican films by the late 1940s. See also the remarks about «la crisis que la posguerra hará inevitable con productos estandarizados al estilo norteamericano.» in GARCIA RIERA. *Historia documental*, Vol. 2. p. 9.

(92) For an interesting recent analysis of the significance of Mexican films for Chicano/a audiences, see SARAGOZA. Alex M. «Cinematic Orphans: Mexican Immigrants in the United States since the 1950s,» in NORIEGA, Chon A. (ed.) *Chicanos and Film: Essays on Chicano Representation and Resistance*. New York: Garland.1992, pp.127-142.

(93) For instance, throughout the 1940s and 1950s Mexican productions were almost exclusively black and white.

(94) In fact, such ideas were explored. During World War II, the Mexican company España, México, Argentina promoted Mexican films throughout Latin America -causing great anxiety for the State Department and Hollywood, see George Messersmith, Mexico City Embassy to SD, 18 April 1944, NA RG 59.812.4061 MP/318. And in the 1940s, Mexico made other attempts to organize Spanish-speaking nations into a protective mass-media market, as in the case cited above involving special film trade arrangements between Mexico and Argentina, see NA RG 59, 812.452/3-1050.

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