



# Producing **BOLLYWOOD**

INSIDE THE CONTEMPORARY  
HINDI FILM INDUSTRY

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## **From Vice to Virtue**

### *The State and Filmmaking in India*

On May 10, 1998, filmmaking in India was accorded the status of an industry by the BJP-led Central government, laying to rest one of the most frequent complaints regarding the state's attitude toward the enterprise of filmmaking—"We're not even recognized as an industry!"—I had heard from Hindi filmmakers during my initial fieldwork in 1996. What was so surprising about the announcement was that none of the filmmakers I had met during my fieldwork ever believed it would happen; they were firm in their views that the "step-motherly" treatment they received from the state, both at the central and regional levels, would continue indefinitely. And yet, two years later at a conference titled "Challenges Before Indian Cinema," the union information and broadcasting minister, Sushma Swaraj, announced industry status for filmmaking.

If the Hindi film industry was not an industry prior to 1998, what was it? What does it mean to be recognized as an "industry" by the Indian state? Why did the state finally recognize it as such? What impact has industry status had on filmmaking in Bombay? That India produces the greatest number of feature films in the world is a fact proudly touted and disseminated by the state in a variety of arenas, and yet for decades the Indian state had officially treated commercial filmmaking as an activity akin to vices like gambling and horseracing. What brought about the change in state attitudes toward filmmaking?

In this chapter, I examine how cinema—its role, significance, effects, and influence—has been imagined and discussed in India by the state primarily at the national level, or what in India is referred to as the “Center” or Central government.<sup>1</sup> Not only does such an examination reveal the complicated place of cinema in the politics of national prestige, nation-building, and development, but it also provides the context to understand Hindi filmmakers’ own self-positioning and quest for cultural legitimacy, which I will be discussing in subsequent chapters.

Rather than referring to a monolithic entity, I use the term “state” as a shorthand for an assemblage of practices and institutions that enact governance through a variety of domains under the sign of the Indian state (Gupta and Ferguson 2002; Gupta 1995). Cinema has played a significant role in state discourses about development, nationhood, and modernity in India since Independence in 1947.<sup>2</sup> For over a century, cinema has been woven into the fabric of urban life to such an extent that it seems ubiquitous and, unlike television, was never state-controlled.<sup>3</sup> Though film production primarily has been a private enterprise, it has been an object of state regulation in India since colonial times through censorship, taxation, allocation of raw materials, and control over exhibition through the licensing of theaters. Cinema has also been seen as a “problem,” warranting the attention of a number of government commissions, inquiries, and symposia in independent India.<sup>4</sup>

The significance of the granting of industry status, and its radical departure from previous policies, can be understood as a transformation in the regimes of value (Appadurai 1986; Myers 2001)—from modernization to cultural sovereignty—within which cinema has been situated over time in India. I argue that the Indian state’s declaration marks a taxonomic shift (Clifford 1988) from a Nehruvian developmentalist paradigm, in which film was solely valued for its pedagogical and communicative potential, to the contemporary neoliberal conjuncture where the existence of multiple, prolific filmmaking traditions are regarded as examples of native ingenuity and a source of economic growth. This shift in attitude has been an important factor in allowing the gentrification of the film industry, especially in terms of its exhibition practices, discussed in this chapter and in chapters two and nine.

My discussion of the discursive field created by the state about filmmaking focuses on the central place of cinema in moral, aesthetic, developmentalist, and modernization discourses about Indian society. I base my analysis on documents and statements from key periods in the history of the Indian state, spanning from the independence movement in

the 1930s, the Nehruvian era of the 1950s, the post-Emergency period of the late 1970s and early 1980s, to the era of economic liberalization in the 1990s.<sup>5</sup> Each period has been shaped by the marking of an anniversary connected to the presence and history of cinema in India: in 1938, the Indian Motion Picture Congress commemorated the twenty-fifth anniversary of Indian cinema, marking the date (1913) of the first Indian feature film; in 1956, the Film Federation of India celebrated the twenty-fifth anniversary of Indian cinema by using the first sound feature, produced in 1931, as the benchmark; in 1981, the fiftieth anniversary of talkies was celebrated by the Indian Academy of Motion Pictures Arts and Sciences; in 1995–96, the 100th anniversary of the invention of cinema itself became a cause for commemoration by state institutions such as the National Film Archive and the National Film Development Corporation. The texts and documents accompanying these commemorations are a rich source of information about transformations in attitudes toward, and expectations of, filmmaking in India.

In order to understand the larger ideological context framing state attitudes toward filmmaking in independent India, I first describe how national leaders such as Gandhi and Nehru perceived cinema, laying the foundation for state policies for nearly five decades. Then, I discuss in detail the ambivalence displayed toward films and filmmaking by the “developmentalist state” as manifest in regulations such as taxation and policy prescriptions of the cultural bureaucracy. Finally, I examine the granting of industry status, along with the changing attitudes about cinema in the neoliberal context of the late twentieth century.

#### 1913–1947: CINEMA AND THE INDIAN NATIONAL CONGRESS

Dhundiraj Govind Phalke, who in 1913 made the first feature film in India and later earned the appellation “Father of Indian cinema,” was explicitly nationalist in his motivation for making films—he wanted to create Indian images for Indian audiences and establish a completely indigenous or *swadeshi* industry.<sup>6</sup> Yet the Indian National Congress (INC), one of the main organizations fighting against colonial rule, did not accord the medium much importance. Most leaders viewed the cinema as “low” and “vulgar” entertainment, popular with the uneducated “masses” (Kaul 1998). These attitudes are exemplified in the public statements of two of the most prominent leaders of the independence struggle, Mohandas Gandhi and Jawaharlal Nehru. While Gandhi rejected film on the whole as immoral and culturally inauthentic, Nehru viewed film as a danger-

ous but potentially useful pedagogical medium. Meanwhile, filmmakers at the time responded to their public statements not by countering their criticisms, but by casting film within the terms of discourse set by Gandhi and Nehru.

Gandhi's antipathy toward cinema, which probably stemmed from it being a "foreign" technology, was central to the INC's disregard for film as a potential tool in its mobilizing and organizing efforts. Gandhi declared many times that he had never seen a single film, comparing cinema with other "vices" such as *satta* (betting), gambling, and horseracing (Das Sharma 1993: 136). When the Indian Cinematograph Committee was conducting its exhaustive study of filmmaking and film-viewing in India in 1927, it sent a questionnaire to Gandhi asking him his views about the state of cinema in India. Gandhi returned the questionnaire to the committee with a letter stating that he had no views about the "sinful technology." His letter, dated November 12, 1927, states, "Even if I was so minded, I should be unfit to answer your questionnaire, as I have never been to a cinema. But even to an outsider the evil it has done and is doing is patent. The good, if it has done at all, remains to be proved" (in Kaul 1998: 44). Other examples of Gandhi's disinterest in—and distaste for—cinema included his refusal to send a congratulatory message for the official souvenir being published on the occasion of the twenty-fifth anniversary of Indian cinema, in 1938. His secretary's reply to the request states, "As a rule Gandhi gives messages only on rare occasions, and this is only for a cause whose virtue is ever undoubtful. As for the cinema industry, he has the least interest in it, and one may not expect a word of appreciation from him" (in Kaul 1998: 44). Gandhi emphatically expressed his negativity toward cinema, along with his recognition of its growing popularity, in his paper *Harijan*, in an issue dated May 3, 1942: "If I began to organize picketing in respect of them (the evil of cinema) I should lose my caste, my mahatmaship" (in Kaul 1998: 45).<sup>7</sup>

Gandhi's persistent aversion to cinema did not go unnoticed by Bombay filmmakers. K. Ahmad Abbas, a noted screenwriter, director, journalist, novelist, and short-story writer, who in the late 1930s was working as a publicist for a leading studio, Bombay Talkies, wrote an open letter to Gandhi, which was published in the English-language magazine *Film-india*, dated October 1939.<sup>8</sup> The tone of the letter is one of filial respect: Abbas addresses Gandhi as "My Dear Bapu" (My Dear Father), wishes him a happy birthday, and "craves his forgiveness" for disturbing him during such a turbulent time (war had just broken out in Europe).<sup>9</sup> He represents himself as a child—a "son of India"—who is rushing to Gandhi, the father

of the nation, seeking his approval of the cinema, which he characterizes as the "new toy," for his generation.<sup>10</sup>

Abbas expresses his surprise and "pain" over Gandhi's remarks, reasoning that he would not have been so perturbed by such statements generally—for his own father felt similarly about films, thinking them an "imported vice from the West"—but Gandhi's position as a national and world leader imbued his opinion with much greater significance and consequence. Abbas fears that Gandhi's disapproval would reinforce others' hostility toward the medium, which would prevent cinema, "one of the world's most useful inventions," from achieving its full potential and leave it open to abuse by "unscrupulous people."

Abbas then wonders how it is that Gandhi developed such a poor opinion of the cinema and asks whether he has ever seen a film.<sup>11</sup> He admits that many films are of questionable aesthetic, social, and moral value, and that many producers "exploit the baser passions of man to make money." Abbas also concedes that Gandhi and others of his generation would disapprove of the "playful romanticism" his generation "gloats over" in most films, and that he does not expect Gandhi to see or approve of romantic films. Abbas describes cinema as a neutral medium of expression, which could be "an instrument of much good in this world." He discusses other inventions, such as the radio and the airplane, which have revolutionized and benefited modern life, but should not be condemned because they have also been exploited by "unscrupulous persons," such as Hitler, for undesirable ends.

Abbas speculates that the root of Gandhi's distaste for cinema lay with the fact that most films dealt "exclusively with sex and love themes." In order to counter such an impression of cinema, Abbas elaborates the various pedagogical functions films have fulfilled in other countries. He discusses how documentaries and other types of nonfiction films have been utilized for the purposes of education, news, general knowledge, anti-crime, and political information. He assures Gandhi that the demand for these sorts of "extra-entertainment, non-commercial films" is increasing, and that a considerable portion of the program in cinemas is being devoted to such "useful" films. Abbas also states that, even among entertainment films, "the socially useful and morally uplifting element is steadily on the increase," and then lists twelve such examples, both Indian and American, which he guarantees that if Gandhi were to see, he would have "nothing but praise for them." Among the American films, Abbas lists *Life of Louis Pasteur*, *Life of Emile Zola*, and *Boys' Town*; the Indian examples include films about poet-saints such as *Sant Tukaram*

and *Sant Tulsidas*.<sup>12</sup> He points out that each of these films has been very popular with millions of cinemagoers all over the world. Abbas further informs Gandhi that some "patriots" are attempting to "produce a film record of your own inspiring life."

In his closing, Abbas expresses his feeling that the nationalist movement led by Gandhi has "indirectly caused much purification and regeneration" in Indian filmmaking. He attributes Gandhi's leadership as having created an environment conducive for improvements in cinema, resulting in better and "more socially useful films." Abbas presents a narrative of improving standards in cinema connected to the increased interest in the medium by "honest and socially conscious people," and states that a decade earlier, good films were not produced because "educated and 'respectable' folk" viewed films as "evil and loathsome." He asserts that such prejudices are breaking down and argues, "The 'cleansing' of the Indian films will be in direct proportion to the number of honest and responsible people who are able to take the place of ignorant profiteers, who dominated the industry for so many years. We want more decent people to take interest in this industry, so that it becomes an instrument of social good rather than a *tamasha* [spectacle]" (in Bandyopadhyay 1993: 145). Abbas's argument, that cinematic quality is connected to the class position of its producers, is a view still articulated by contemporary filmmakers, a point I elaborate in chapter three. He warns Gandhi that the future of good filmmaking in India is actually in his hands, pleading with him to change his opinion about cinema: "But these people may be discouraged and kept away if you and other great men like you continue to count the cinema among such vices as gambling and drinking. You are a great soul, Bapu. In your heart there is no room for prejudice. Give this little toy of ours, the cinema, which is not so useless as it looks, a little of your attention and bless it with a smile of toleration" (in Bandyopadhyay 1993: 145).

Although he failed to win over Gandhi, Abbas constructs certain dichotomies about the nature of cinema in India that have persisted till the present day. By representing it as a neutral technology that has been abused by individuals who are solely interested in profit, he tries to counter the image of cinema as a vice. He constructs a dichotomy that has to do with the intentionality of filmmakers: those who make films for money contrasted with those who make films for higher artistic and social purposes. The other main dichotomy present in the letter concerns entertainment and its opposites: art, edification, or social reform. Entertainment is defined as the activation of "baser" passions. Love, romance, and

sex have nothing to do with art or expression but are the main criteria for designating films as morally and aesthetically deficient. Such "romantic" films are presented as containing very little socially redeeming value. Discussing film in conjunction with religion and patriotism, Abbas elevates the medium from the lowly status assigned to it by Gandhi and others. Rather than trying to argue a case for the importance of entertainment, he goes to great lengths to articulate how film can be something more than "mere" entertainment. In his representation, the main purpose and value of cinema is as a type of moral pedagogy. Abbas predicates his arguments on a future-oriented view of cinema, asking Gandhi to give film a chance because it will become something useful and good.

Unlike Gandhi, Nehru was not averse to the cinema, but was critical of the kind of films being made at the time.<sup>13</sup> In a message to the Indian Motion Picture Congress held in Bombay in 1939, Nehru stated, "I am far from satisfied at the quality of work that has been done. Motion pictures have become an essential part of modern life and they can be used with great advantage for educational purposes. So far, greater stress has been laid on a type of film which presumably is supposed to be entertaining, but the standard or quality of which is not high. I hope that the industry will consider now in terms of meeting the standards and of aiming at producing high-class films which have educational and social values. Such films should receive the help and cooperation of not only the public, but also of the State" (in Kaul 1998: 41). Once again, entertainment is synonymous with poor quality and low standards, and the significance of the medium is articulated in terms of its pedagogical potential. Like Abbas, Nehru assesses the present as deficient and hopes for better films in the future. Other nationalist leaders expressed similar instrumentalist hopes for the medium. In the January 1943 issue of *Filmindia*, Sarojini Naidu, a renowned poet and member of the INC, asserted, "Cinema can do to a whole people what a loving and devoted wife (can) do to an erring husband: to root out superstition; to make people rational and make them better informed; and to give them useful entertainment" (in Kaul 1998: 51).

This view of film—as a tool for modernization—crucially shaped state policy and rhetoric toward cinema in independent India. During and after Nehru's tenure as prime minister, a number of institutions and policies were established to promote "high-class" filmmaking. While the Nehruvian perspective on cinema has been the dominant one, noticeably in the creation and maintenance of a cultural and cinematic bureaucracy to counter commercial cinema, Gandhi's moralism, and his view of cinema

as corrupting, has also lingered in prohibitive policies such as censorship and taxation. Additionally, both the critique of the present state of cinema and the simultaneous valorization of the future encountered in Abbas's and Nehru's statements have been a consistent feature of the discourse surrounding cinema in postcolonial India.

#### 1947-1997: CINEMA AND THE DEVELOPMENTALIST STATE Ideologies of Development and Modernization

Films are too important to be left to filmmakers alone.

—H. Y. Sharada Prasad, Director, Indian Institute of Mass  
Communication

The above statement, made during Prasad's speech of welcome at the 1979 Symposium on Cinema in Developing Countries held in Delhi, best encapsulates official attitudes toward the medium of cinema for much of India's post-Independence period. Cinema has been a consistent feature in discussions about development and modernization in India, and Hindi filmmakers have been interpellated as partners in these projects for decades. Much of the discourse about film in India communicates that it is a very powerful tool that can either be used for the greater good, or be very dangerous if in the wrong hands. It then becomes the state's responsibility to ensure the production of films that engender positive or beneficial effects, as well as prohibiting those that can be damaging. Examples of the state's prescriptive role include the system of national awards for films instituted in 1954, while its proscriptive role is primarily enacted through the institution of film censorship, which has been carried over from the colonial period.<sup>14</sup>

As a result of the high rates of illiteracy and the unparalleled popularity of films and film stars in India, the state has viewed film as a pedagogical tool in its modernization agenda. Illiteracy, or the lack of a formal education, signals to government functionaries that vast portions of the populace, who are referred to as the "masses," are easily influenced—or incited by—onscreen images. Since the masses are perceived as very malleable—and in need of proper molding—elected officials and bureaucrats throughout the decades have been exhorting filmmakers to make "socially relevant" films to "uplift" the masses. For example, in the Silver Jubilee Souvenir Program, published by the Film Federation of India on the occasion of the twenty-fifth anniversary of Indian sound films in 1956, a section titled "Blessings and Greetings" contains statements

made by a variety of state leaders on the role of cinema in Indian society. The Chief Minister of Bombay<sup>15</sup> asserted, "A film, as we know, is the most powerful medium of our age, which not only influences but moulds the cultural outlook of the people. The film industry, therefore, can play an important role in carrying the message of peace and progress to the masses. I am glad to see that some producers have realized this, but it is necessary for the industry as a whole to come forward and help the people and the State in this matter" (FFI 1956: v). The Chief Minister of Uttar Pradesh<sup>16</sup> described in greater detail the possibilities and problems of film in India, "Films not only provide the most popular form of entertainment in modern times but they are proving also a most powerful and effective medium of education and cultural advancement. They have immense possibilities of doing good as well as harm to Society . . . The responsibility for reforming the public taste is of the producers and is a public duty which carries its own reward. Pandering to what is vulgar in human nature will degrade all of us" (FFI 1956: vi). Both leaders echo earlier statements by Nehru and Naidu where entertainment is subservient to education, and filmmakers bear the burden of some manner of social reform. The Indian state's concern with socially relevant cinema is connected to its "hypodermic-needle" understanding of media effects and influence.<sup>17</sup> In this simplistic top-down causal view of media influence, cinema—and audio-visual media in general—can directly influence behavior and shape attitudes and subjectivities.<sup>18</sup> The Supreme Court of India, in a 1989 judgment about film censorship, asserted this point of view unequivocally, "A film motivates thought and action and assures a high degree of attention and retention as compared to the printed word. The combination of act and speech, sight and sound, in semi darkness of the theatre, with elimination of all distracting ideas, will have a strong impact on the minds of the viewers and can affect emotions; therefore, it has as much potential for evil as it has for good and has an equal potential to instill or cultivate violent or good behavior. It cannot be equated with other modes of communication. Censorship by prior restraint is, therefore, not only desirable but also necessary";<sup>19</sup> therefore, a film is judged according to the perceived positive or negative effects its main theme may precipitate in viewers, and thus in society. This perspective provides the continued justification for film censorship as well as institutions such as the Films Division—the state-funded documentary filmmaking institution.

Thus, a striking characteristic of the state-generated discourse about cinema is the intense ambivalence—a complex mixture of pride, disdain,

hope, and fear—expressed toward films and filmmaking, which arises from the multivalent nature of the medium: film is a product of science and technology, a mode of communication, an art form, a source of entertainment, and a commercial activity. This ambivalence is a result of the postcolonial nature of the Indian state and its particular relationship to modernity—a relationship that has been defined primarily by the apparatus and discourse of development, which has positioned “Third World” nation-states like India as “behind” the West (Gupta 1998: 10).

Itty Abraham, in his work on India’s nuclear program, describes the postcolonial condition as marked by a specific experience of time, which he characterizes as “time-in-waiting.” This condition is one in which the future can be seen in the present, through the examples of advanced industrialized nation-states, combined with a simultaneous awareness of one’s own lagging development. Consequently, postcolonial time “drives state action in an endless search for ‘modernization’ and ‘development,’ which leads to an anxiety about world rankings and never ‘catching up’ while constantly projecting the moment when it may happen” (Abraham 1998: 19).

This obsession with rankings, superlatives, and coeval temporality has also been a feature of the state-generated discourse about cinema. Since the motion picture is a technology, “a true product of the modern age” (Chhabria 1996: 1), two features about cinema in India are used to represent the modern nature of the Indian nation-state: first, the sheer volume of films produced yearly affords India the distinction of being the “world’s largest” producer, surpassing even that preeminent example of modernity, the United States; second, the history of cinema in India as contemporaneous with the history of cinema in the world—“India is among the earliest countries in the world to have adopted cinema” (Karanth 1980: 1)—counters connotations of technological incompetence, cultural domination, and backwardness that saddle terms, such as “Third World,” or “developing,” which historically located India in the international political and economic order. The date of the first screening of motion pictures in India, July 7, 1896, becomes an important signifier of India’s participation in the modern world, since “Indian audiences had their introduction to projected motion pictures in the same year as British, Russian, and American audiences, barely six months after the first ‘Cinematographe’ show at the Grand Café in Paris” (Karanth 1980: 1). While both the simultaneity of the filmic experience and the existence of large-scale film industries have been represented as an index of modernity and cultural sovereignty, over the years the dominant tone about the

Hindi film industry and filmmaking has been that most films produced in India are escapist, frivolous, formulaic, for "mere entertainment": not sufficiently "meaningful" or "artistic." For example, in 1998, at the International Film Festival of India (IFFI), the minister of information and broadcasting, S. Jaipal Reddy, stated that while India is the largest film-producing country in the world, filmmakers should focus more on quality than quantity. He expressed his hope that interacting with the best filmmakers from all over the world, at venues such as the IFFI, "would help us to make better films" (Gupta 1998). Since Nehru, what has been operating in state discourses toward cinema, especially with respect to the relationship between entertainment and quality, is the "logic of deference" (Krishna 1999), where entertainment has been viewed as something that a postcolonial, "developing," nation-state like India cannot afford.<sup>20</sup>

In an attempt to foster "good" cinema and counter the dominant mode of filmmaking—as represented by the Bombay industry—in 1960 the state established the Film Finance Corporation, which became (in 1980) the National Film Development Corporation (NFDC). These state institutions were responsible for financing films of "high artistic content" (Dayal 1983) and "serious" filmmakers, defined primarily by their rejection of the aesthetic, generic, and production conventions of Bombay cinema, becoming known as the "New Indian" cinema.<sup>21</sup> Films falling under this category—also referred to as "parallel" or "art" cinema—were characterized by their social realist aesthetic, smaller budgets, location shooting, absence of song and dance sequences, use of lesser-known actors, and a naturalistic style of acting (against the big budgets, elaborate sets, songs, superstars, and melodramatics of mainstream Hindi cinema).<sup>22</sup>

The state's constant criticism and efforts to promote an alternative cinematic form have resulted in a dismissive and disparaging attitude on the part of filmmakers. In 1996, during my first phase of fieldwork, the most common characterization made by filmmakers of the state's attitude toward the film industry was the term "step-motherly," with its connotations of abuse and neglect. Veteran producer B. R. Chopra described the relationship between the film industry and the state as one-sided, opportunistic, and extractive: "You find that the government is interfering with us quite a bit, putting restrictions on us, and taking away the biggest slice of our earnings. The whole picture industry, whatever they've done, they've done all by themselves, without the aid of the government. According to me the film industry has not been able to get the favor of the government, except when it serves the government's purpose . . . The only thing they've done is to develop the parallel cinema and to help it.

That's all, but they've not done anything for the common man's cinema" (B. R. Chopra, interview, 14 August 1996). Chopra is referring to the most common rhetorical division of the film-going audience in India—as posed by members of the film industry, journalists, bureaucrats, and intellectuals—that the "common man," also referred to as the "masses," watches commercial films, while the elite audiences of the "classes" watch the art or parallel films. I will be discussing how the audience is imagined within this masses-classes binary in greater detail in chapter eight.

Subhash Ghai, one of the top producer/directors of the Bombay industry spoke with me at length about the relationship between the state and the film industry. He characterized the state's attitude toward the industry as a combination of fascination and distance, with leaders who are aware of the popularity of films and their influence over people's lives, but are unwilling to learn about the particularities of the industry. The reason that the state has not attempted to know or study the industry, according to Ghai, is because of the general distaste for cinema. He described the condescension that state officials have toward cinema, which he felt was based on their age and class: "They're all senior people who think that film or entertainment is not a serious man's business. All these *buddas* [old fogies], politicians, government officials, they think 'Cinema—ha ha ha—my servant goes, but I stop him from going to the cinema.'"

Ghai asserted that politicians articulate the importance of cinema periodically during election campaigns because they realize the "pull" of cinema and its ability to "mobilize voters." He also claimed that political leaders were aware of the key cultural and nation-building role played by films, "When they think about national integration, when they get their calls from Indian embassies from all over the world, that cinema is holding our culture over there. Cinema is a representative of Indian culture abroad." According to Ghai, however, once in power, officials put aside the film industry's concerns, "They are again back to their normal, 'Oh, cinema is not a serious man's business.'"

Criticizing the Indian state's attitudes toward filmmaking as shortsighted, Ghai brought up the United States as a counterexample where the state has encouraged and recognized the value of entertainment as an industry. He argued that American films have enabled the United States to dominate the world culturally, even leading to the dissolution of the Soviet Union. "They're totally ignorant about the problems of the film industry, not realizing that [in] America, [the] entertainment industry is the second biggest industry after aerospace industry, exporting \$600 bil-

lion, right? America became Big Brother because of the entertainment industry . . . because they've patronized the entertainment industry, so the best of talent from Europe and everywhere came to America and made America, and America fascinated every country and now it broke Russia. I would say Michael Jackson and Robert De Niro—they broke Russia. It is a threat to France; it is a threat to Japan; what is the threat? Bill Clinton? No: movies. Movies have such an impact on other nations, because children grow up with movies. Children grow with three things: with their school; with their parents; and . . . movies" (Ghai, interview, 10 December 1996). According to Ghai, the reason that the Indian state has not realized the potential of filmmaking as an industry, economic activity, and global cultural and ideological force is because, "these oldies never saw cinema; they were never in touch with cinema" (Ghai, interview, 10 December 1996). Despite his flippant tone, Ghai's comments about political leaders' antipathy toward cinema correspond with the history of statements about the medium. Gandhi apparently saw only one film in his life (Jeffrey 2006; Kaul 1998).

#### Cinema as Vice

While some of Ghai's statements are hyperbolic, his assessment of the Indian state's lack of interest in the film industry as an economic enterprise is accurate. Unlike the U.S. government, which from the early part of the twentieth century treated filmmaking as a business and helped Hollywood to distribute its films globally (Miller 1998), the Indian state did not accord filmmaking much economic significance, even though shortly after Independence India became the second largest film producing country in the world. Despite filmmaking being the second largest "industry" in India in terms of capital investment—and the fifth largest in the number of people employed (Ray 1956: 32)—the developmentalist economic ideology of the newly independent nation-state constructed a hierarchy of needs in which filmmaking was not considered an essential or important sphere of economic activity. Entertainment was not viewed as a necessity in a country that at the time of Independence had a literacy rate of 18 percent, had an average life expectancy of 26 years, was suffering from a food crisis, and had over one million refugees to resettle. Instead, rapid industrialization, infrastructural development, and food self-sufficiency were the main priorities of national economic policy.

Certain policies imposed immediately after Independence had long-lasting repercussions for filmmaking. For example, a moratorium on "non-essential building," due to the shortage of cement and building ma-

**TABLE 1** TAXES LEVIED ON CINEMA

	Central Government	State Government	Local Government
Producer	Import duty Excise duty Censor-certification fee		
Distributor	Excise duty		
Exhibitor	News reel hire	Electricity tariff License fee Entertainment tax Publicity tax	Show tax House and water tax

Source: Based on Mittal (1995).

terials, meant that most states imposed a ban on theater construction. As a result, India has an extremely low number of movie screens—ranging from approximately 13,000 in the 1990s (the number varies because it includes mobile cinemas) to about 11,000 in the early 2000s—given the size of its annual theater attendance, which is approximately 3 billion (FICCI 2006).<sup>23</sup> In fact, despite being the world's largest film-producing country, India has one of the lowest ratio of screens to population: 12 screens per million people; in comparison, the United States has 117 screens per million people (Dua 2006). Most state governments also stipulated that movie theaters could not be constructed near schools, colleges, places of worship, residential areas, and government offices.

Economic policies have treated cinema as a source of tax revenue rather than as an engine of growth. Taxes levied on cinema are akin to those levied on "vices" such as gambling and horseracing (see Table 1 for a list of taxes levied upon cinema at the various levels of the state). The main bulk of taxation is collected by individual state governments through the entertainment tax, which is a sales tax imposed on box-office receipts, ranging in rates from 20 to 75 percent. While the British colonial government instituted the entertainment tax in 1922, in independent India it was continued and augmented by other forms of taxation. Most state governments increased entertainment tax rates soon after Independence. For instance, the tax rate was 12.5 percent before the Second World War in most provinces, with temporary wartime increases, but by 1949 rates ranged from 25 to 75 percent across the country, with an average of 33.5 percent. Municipalities also began to levy both entertainment taxes and duties on the transport of films from one place to

another. Producers sending films out of the country discovered that they had to pay an exorbitant import duty to the Indian government in order to bring their own film prints back into the country. Additionally, there were sales taxes, other import duties, internal customs duties, income taxes, show taxes, and charges for censorship. By mid-1949, film industry organizations estimated that 60 percent of all box-office revenues were being taken by the state in the form of taxes (Barnouw and Krishnaswamy 1980: 138–39).

Of all of the various taxes filmmaking is subject to, entertainment tax has been the most contentious issue between filmmakers and the state at the regional level. For decades filmmakers have been requesting the Central government to either reduce, standardize (the tax varies from state to state), or abolish the tax altogether, but to no avail. For example, in 1955 at the “Future of Indian Films” seminar initiated by the *Sangeet Natak Akademi* (The National Academy of Music, Dance, and Theater), a number of filmmakers asserted, in their presentations, that the entertainment tax was a significant obstacle to the growth and improvement of filmmaking. S. S. Vasan, president of the Film Federation of India, declared, “It is this entertainment tax which has been the bane of the industry. The incidence of this tax, being so high, more than even the betting tax, has not only discouraged people from getting entertained, but has also adversely affected film production in this country” (in Ray 1956: 37). Nehru who was present for the inaugural session of the seminar, categorically dismissed such concerns in his address, stating bluntly, “I am not convinced by Vasan’s argument . . . I do not see at all, broadly speaking why entertainment should not be taxed” (in Ray 1956: 11).

By the 1990s, filmmakers’ arguments against the entertainment tax ranged from the issue of equity—that television, cable, and satellite are not subject to entertainment tax—to the moral/philosophical: that they are providing a great service to the nation by entertaining people, so why should the government tax entertainment? During our interview, producer G. P. Sippy asserted, “For entertaining people, you should get some reward from the government. What is a movie? It brings a smile on your face. If we make even one face smile, that’s the biggest social service which a person does; instead they [the government] will say, ‘Oh you are exposing the bodies!’” (G. P. Sippy, interview, 22 September 1996). As apparent from the discussion of state attitudes thus far, entertainment, however, is considered the very antithesis of social service: it is considered a luxury that a developing nation cannot afford.

## Cinema as Cultural Problem

While state policies of taxation and licensing accorded films the status of a vice, state cultural policies treated mainstream films as a threat to other art forms. Even as a British colony, India was the world's third largest producer of films; therefore, from the point of view of the national leadership after Independence, filmmaking was seen as having escaped the effects of colonialism, unlike other artistic and performance traditions that had suffered greatly. In fact, the popularity of films and their music was viewed as a threat to novelists, painters, classical singers and dancers, and folk performers. A myriad of ministries, academies, and institutes, dealing with the visual, performing, and literary arts, were established shortly after Independence.<sup>24</sup> The Indian state, in an effort to revive and support the "traditional arts" and "high culture," excluded cinema from these categories and placed it under the purview of the Ministry of Information and Broadcasting, rather than the Ministry of Cultural Affairs.

The cultural bureaucracy consistently viewed cinema as a "problem" that warranted the attention of a number of government commissions, inquiries, and symposia in independent India. In such inquiries, filmmakers time and again singled out state policies as the source of problems besetting filmmaking, while bureaucrats and state functionaries blamed more intangible factors, such as audience taste. One such instance of this tension is apparent in the *Report of the Working Group on National Film Policy* (henceforth referred to as "the Working Group"), which provides a detailed look at the perception of Indian cinema as articulated by a branch of the state's cultural bureaucracy.

The Working Group, comprised of filmmakers and bureaucrats, was appointed by the Ministry of Information and Broadcasting in 1979; their task was to study the state of the film industry in areas such as production, technology, distribution, exhibition, financing, export and import, censorship, and taxation, and from this to suggest a national film policy. In 1980, after eight months of study, the Working Group submitted a 153-page report that outlined many policy recommendations—none of which were implemented—including a comprehensive film policy as well as suggestions on labor legislation and training facilities.

One area in which the Working Group was to concentrate their inquiry—and formulate policy recommendations—was the status of cinema as an art form and an instrument for social change. The report argued that the main factor impeding the growth of cinema as an art

form in India was the government's indifference toward the health of cinema, as evidenced by many of its policies: taxation, customs and excise duties, as well as regulations governing the construction of theaters. The Group claimed that "the role of the Government in the promotion of good cinema, particularly in the context of a developing society, has not been sufficiently recognized in India" (1980: 9).

The consequence of governmental apathy was that despite the artistic achievements of Indian cinema (mainly measured by the awards won at international film festivals), much of it was characterized by "culturally vacuous films, which are exclusively designed for making money through audience manipulation" (Karanth 1980: 9). Expressing anxieties about the market and easily manipulated audiences, the Working Group called on the government to "provide a national platform for good cinema, to positively encourage the production of good films, to take such films to the largest number of people, and to initiate the audience in the appreciation of good cinema" (1980: 10).

In accordance with such goals, the Working Group recommended the establishment of an academy, the *Chalachitra Akademi*,<sup>25</sup> with the design of promoting cinema as an art form, on the same lines as the *Sangeet Natak* (Music-Dance-Drama), *Sahitya* (Literature), and *Lalit Kala* (Visual Arts) academies. Acknowledging that its list of fifteen broad functions, which ranged from maintaining a national film archive to operating a children's film center, would be an expensive venture, the Working Group argued that such an investment in "the propagation of film culture and the changing of audience taste" should be viewed as an investment in education and culture. Otherwise, "it is futile to expect that audiences can be converted to good cinema," and without proper audience support, "good cinema" would largely remain superfluous to the lives of most people (Karanth 1980: 15). The Group concluded this section of the report by stating that the establishment of the *Chalachitra Akademi*, with the objective of "promoting cinema as an art form and as a medium of culture, is absolutely necessary" (1980: 15).

According to some members of the cultural bureaucracy, however, the acknowledged failure of cinema to become a full-fledged art form in India was the result of it being a non-Indian, technological, mass-produced form. The Working Group asked a former chairwoman of the *Sangeet Natak Akademi*, Kamala Chattopadhyay, her views about the status of cinema as an art form. Referring to the enormous volume of films produced in India, she argued that creative art forms could not be undertaken on a mass scale. Comparing cinema to Indian drama, Chattopadh-

yay argued that traditional dramatic performances attained a reasonably high level of quality because they were expressions of the people's traditional consciousness, whereas cinema in India was "a form superimposed with a lot of appendages of mechanical and technological character. It is not a spontaneous instrument, springing from the soil and the people; therefore, except where there have been creative persons, and these necessarily have been few, the result has not taken on any worthwhile aesthetic value" (in Karanth 1980: 113).

The main conclusion that one draws from examining the report of the Working Group—along with other examples of official discourse—is that cinema in India constitutes a social problem of significant proportion, but that it also contains a tremendous potential to reshape society. The concerted efforts to formulate a national film policy and develop cinema into an Indian art form show the state as being centrally involved in the creation of a modern "Indian" culture; such efforts span a history, from the specifically cultural articulations of nationalism in the late nineteenth and early twentieth centuries (Chatterjee 1993), to Nehru's post-Independence initiatives, which established the vast cultural bureaucracy still in place today. The expectations of and claims made upon the state, as expressed in the *Report*—to homogenize a field as diverse as Indian cinema, change audiences' tastes in film, and use film to advance national interests—all point to the significance of cinema in constructing a certain state-sponsored modernity.

Since Independence, cinema has had multiple significations, representing varying regimes of value within state discourses: as vice; as art form; as tool for development; and as index of modernity. The 1950s witnessed debates centered around whether film could ever be an authentic indigenous cultural form (Chakravarty 1993), which were attitudes still expressed in the 1980s, as evident from the *Working Group Report*. The primary regime of value for cinema was developmentalist, until the time of my initial fieldwork in the mid-1990s, when new regimes of value began to be articulated around cinema, namely those of cultural heritage and economic ascendancy. In the next section, I detail the shift in attitudes toward mainstream cinema and filmmaking, from being a heavily criticized and maligned form of media, to one which the state actually celebrated, touting as an example of India's success in the international arena. This transformation is located in the altered media landscape produced by economic liberalization and the subsequent cultural nationalism engendered by these processes.

## Cinema as National Heritage

The sheer volume of film production and the history of cinema in India, especially its contemporaneity with the West, is represented in state publications as a sign of the nation-state's modernity. On July 7, 1896, a representative of the Lumière Brothers, traveling from Paris en route to Australia, screened the first motion pictures in India, in Bombay's Watsons Hotel—six months after its originary screening in Paris on December 28, 1895. This history became a cause for celebration, evident by the state's investment at both the central and regional levels in commemorating the centenary of cinema, in 1995 and 1996. The Ministry of Information and Broadcasting (MIB) created a National Committee for the Celebration of the Cinema Centenary, which organized a series of countrywide commemorations. Though the first screening of motion pictures in India did not take place until July 1896, the commemorations were kicked off with the 26th International Film Festival of India (IFFI), held in Bombay in January 1995.

The concern with temporality, or what Abraham terms "postcolonial time" (1998), is apparent in the reasons offered for initiating the celebrations even before the actual anniversary of the first film screenings in India (or in Paris for that matter). At the inauguration ceremony for the IFFI, in Bombay on January 10, 1995, the union minister for information and broadcasting, K. P. Singh Deo, remarked, "It is fitting that the first international film festival in this centenary year of world cinema is being held in India, the most prolific film producer in the world, and in Bombay, the birthplace and capital of Indian cinema" ("International film festival opened" 1995). The English-language booklet, "A Hundred Years of Cinema in India: A Conspectus," produced by the MIB's publications division, raises the issue of the discrepancy between the arrival of motion pictures in India and celebrations having begun in 1995. It also points out that the first short film made by an Indian was not until 1899, and thus "One may therefore wonder that our country should legitimately be observing the cinema centenary between 1996 and 1999" (Rangoonwalla 1995a: 1). The booklet resolves this issue by explaining, "Yet, our keeping pace with the rest of the world, which is celebrating the centenary of cinema in 1995, has been justified by a pioneering experiment in 1894-95 to make the image move. This was *Shambarik Karolika* (Magic Lantern) a show by Mahadeo Patwardhan and his two sons, where three slide projectors throwing double colour plates created an illusion of movement.

Since it also told a story with the external aids of narration and music, this could be taken as India's first exploration of the moving image" (Rangoonwalla 1995a: 1). The Hindi version of this booklet produced a few months later, in July 1995, asserts more definitively India's right to celebrate the centenary of cinema in 1995: "We regard the birth of cinema in India to be the invention of the Magic Lantern, by Mahadeo Patwardhan and his two sons in 1894-95, and from this perspective, we are also celebrating the centenary of cinema with the rest of the world in 1995" (Rangoonwalla 1995b: 2).

In contrast to Chattopadhyay's statements about cinema as an alien cultural form, these booklets, produced by the MIB fifteen years later, provide indigenous antecedents and firmly locate cinema as a part of Indian aesthetic and performative traditions. All of the debates about the foreignness of the medium, which were articulated as late as 1980 in the *Working Group Report*, have been effectively displaced by descriptions of the cultural rootedness of early cinema in India. The Hindi booklet declares that "in the silent era, films were made on all topics related to Indian traditions and sensibilities" (Rangoonwalla 1995b: 9). Cinema is linked to indigenous cultural traditions through content from the early filming of theatrical performances and via stories from Hindu epics serving as the inspiration for the first features.

In addition to proclaiming the cultural authenticity of cinema and India's coeval participation in the global technological order, the centenary commemorations initiated in 1995 also laid claim to the site of the first Lumière screenings in Paris as part of a common heritage. During the first IFFI, the National Film Development Corporation (NFDC) commissioned an art director from the Hindi film industry to recreate the original venue of the Lumière Brothers' first screenings at the Nehru Centre.<sup>26</sup> "Thanks to NFDC and the genius of art director Nitin Desai, cinegoers can now walk down the historical Paris boulevard where cinema was born," stated a newspaper article about the recreation of the site of the original Lumière Brothers' screening. The article described how Nitin Desai, a noted art director of the Bombay film industry, spent close to a million rupees and took six weeks to transform the portico of the Nehru Centre into a replica of Paris's Rue Scribe, the street on which the Grand Café—the site of the original screening of the Lumière Brothers' cinematographe—was located. The nineteenth-century Parisian ambiance was heightened with shop fronts, and both a horse carriage and a vintage car were parked on the "street," while during the inaugural ceremony NFDC employees sported bicornes (the two-cornered hat worn by Napoleon) and bore

posters titled "Cinematographe Lumière." The exhibition space was converted into the Grand Café, decorated with a wooden model of the cinematographe and a plaster of Paris statue of Auguste Lumière. During the inaugural function, which was attended by the French ambassador and some members of the Hindi film industry, the ten early Lumière shorts were screened in what one newspaper report described as a "dutiful repetition of the past" ("NFDC's tribute to first film venue" 1995).

The commemoration of the past was not solely a European one; as a tribute to a century of Indian cinema the NFDC also organized a temporary film museum, with items from landmark Hindi films, and produced a stage show, "Cinema Cinema 100," in collaboration with the Hindi film industry. The stage show, which was televised live nationally on *Doordarshan*, the state broadcaster, was a combination of speeches, tributes, song and dance performances, and edited sequences of the landmarks of Indian cinema, organized chronologically into four main eras.

During my fieldwork I was able to attend the final commemorative event, which was the Indian Cinema Centenary Celebration, organized by the National Film Archives in conjunction with the Department of Cultural Affairs of the Government of Maharashtra, on July 7, 1996. The event was a combination of public and semi-public rituals inscribing the history of cinema in India onto the urban landscape of Bombay.<sup>27</sup> The key attraction was a procession of members of the Hindi and Marathi film industries to the site of the Watsons Hotel, where the Chief Minister of Maharashtra unveiled a plaque affixed to the building proclaiming its historical importance.<sup>28</sup> The plaque simply stated, "Lumière Brothers' 'Cinematographe' was first screened here on 7th July, 1896, at the erstwhile Watsons Hotel, thus sowing the seed of one of the most popular of the art forms of this century, cinema in India."

After the parade and unveiling of the plaque, the proceedings shifted to the nearby Y. B. Chavan auditorium for the final ceremonies of the day, which involved inaugurations of the weeklong film festival and an exhibition of photographs documenting the 100 years of Indian cinema. Sixteen people—a combination of government officials and film personalities—sat on stage against a graphic of a motion picture camera and the words, "100 Years of Indian Cinema," emblazoned in Marathi on a backdrop of marigolds.<sup>29</sup>

Various government officials made short speeches about the historic importance of the occasion and on the significance of cinema in India. The minister for cultural affairs, Pramod Navalkar, declared that "this is an industry where there are no divisions based on caste, language, religion,

or region." The director of the National Film Archives, Suresh Chhabria, asserted, "It is really the public of India that has taken cinema to their hearts and minds. Nowhere in the world has a public taken to cinema as much as has the public of India. It is really them we have to thank." Once the speeches were done, the same Lumière films that were screened a hundred years before—*Arrival of a Train*, *Workers Leaving a Factory*, *By the Seaside*, and *Baby's Dinner*—were screened in the auditorium. After the screenings, most people trooped upstairs to the exhibition of film stills, posters, and photographs organized by the National Film Archives to represent a visual history of the hundred years of Indian cinema.

What was striking about these rituals of commemoration was the extent of the state's involvement. While the state had been involved in the regulation, documentation, disciplining, and discussion of filmmaking since colonial times, its role in commemoration and celebration—other than the annual ritual of national awards, begun in 1954—had been minimal. Various filmmaking organizations, such as the Film Federation of India and the Indian Academy of Motion Picture Arts and Sciences, held events and produced publications—in 1956 and 1981, respectively—commemorating the twenty-fifth and fiftieth anniversaries of Indian sound films.<sup>30</sup> These earlier commemorations were initiated and organized by filmmakers, with bureaucrats and government officials providing felicitations and commentary, while the centenary celebrations were initiated and organized by state institutions, with filmmakers playing a small role.

Whereas the earlier state-generated discourse was filled with prescriptive statements directed at the Bombay film industry to create "socially relevant" films to "uplift" the masses, statements from the various events and texts associated with the centennial commemorations were light on criticism of popular cinema. Instead, they detailed the prolific nature of film production in India, emphasizing India's lead over the rest of the world, reiterated that the history of cinema in India was as old as the history of the medium itself, and asserted the popularity of domestic films within India. The centenary commemorations demonstrated the transformed symbolic significance accorded to the institution of cinema by the state, at both the national and regional levels, by the mid-1990s.

I attribute the growth of this symbolic significance to the changes in the media landscape engendered by the processes of economic liberalization. After the advent of satellite television in 1992, dubbed by the press and some commentators as an "invasion," the mass media became the locus of public debates, controversies, and anxiety around questions

of Indian nationhood, cultural sovereignty, authenticity, tradition, and identity.<sup>31</sup> During this period, the state's policy rhetoric regarding media was focused more on safeguarding national sovereignty and "Indian values" than "uplifting the masses" (Mankekar 1999). In addition to satellite television, the other noticeable feature of the transformed media landscape was the increased presence of Hollywood films, both in their original English and dubbed versions. With the appearance of American content on television and in theaters, Hindi films took on the value of cultural authenticity and Indian-ness vis-à-vis Hollywood films. It was not simply in their identity as indigenously produced films, however, but also in their very objectified and elaborated representations of Indian-ness, discussed in the next chapter, that films from the mid-1990s operated as signs of the nation.

#### Cinema as Economic Enterprise

The Central government's announcement giving industry status to filmmaking actually took place at a conference in Bombay, titled "National Conference on Challenges Before Indian Cinema," organized by the Federation of Indian Chambers of Commerce (FICCI) and the Film Federation of India (FFI), which are both private trade and industry organizations.<sup>32</sup> The conference was held at the plush five-star hotel Leela Kempinski and attended by representatives of the two organizations, as well as state officials and members of the Hindi film industry.<sup>33</sup> The proceedings were structured in such a manner that filmmakers presented papers in sessions chaired by government ministers—from the Information and Broadcasting Ministry, the Department of Education, the Department of Revenue, and the Reserve Bank of India—who then provided the concluding remarks for each session.

The dominant tone of the presentations was of crisis and appeal: that filmmaking in India was undergoing a series of crises due to mounting costs, exorbitant taxation, rampant piracy, and a lack of regularized finance; an appeal was made to the Central government to take the lead in ameliorating these conditions. Nearly every presentation discussed how the state had been negligent toward cinema for decades, so that any achievement on the part of filmmakers thus far had been entirely on their own.<sup>34</sup> Amit Khanna, a longstanding member of the Bombay industry who has occupied a myriad of roles from writer to producer, asserted in his presentation that "successive governments have done precious little for this business, and if the Industry has survived for so many decades it is not with the Government's help, but in spite [of] it" (Khanna 1998: 6).<sup>35</sup>

Veteran producer/director J. Om Prakash, in his presentation about the necessity for institutional finance, listed nine achievements on the part of filmmakers and then pointed to the potential of Indian films in the global market, akin to the Indian information technology industry. "Imagine if the industry could reach such great heights without the support of the Government [or] institutional finance, then imagine what the industry could achieve for the nation? If proper incentives and infrastructure facilities are provided, the country can compete with Hollywood initially in a small way, but later on, once the industry gains momentum, then the country can give competition to Hollywood. See the growth of [the] high-tech computer software industry. Who would have thought that India would compete with developed nations in such sophisticated area? . . . We can produce world class international films and compete with 20th Century Fox" (Prakash 1998: 15). Prakash's statements contain the allochronism and telos intrinsic to development discourse (Gupta 1998) regarding the unexpected global success of the Indian software industry as well as the desire to overcome the constraints of postcolonial time (Abraham 1998) in terms of the film industry. A key difference in his remarks from those presented in previous sections, however, is their external address. Rather than helping to transform Indian society, film becomes a means to compete in the global economic order, thereby accruing prestige unto the nation on the world stage.

The common appeal across all of the presentations was that the Central government needed to grant industry status to filmmaking, make available institutional finance, and bring policies regarding filmmaking under the purview of the Central government, rather than the various state governments. Although all of the presentations were critical of government policy, the overall tone was polite, respectful, and patient—similar to Abbas's letter to Gandhi discussed earlier—and many speakers took care to end their presentations with a declaration of how filmmakers were good citizens who always provided service to the nation. Producer/director Yash Chopra ended his presentation, "It may be added with all humility that the Indian film industry has always been in the forefront—be it war or earthquake or any calamity—and in every aspect of life shall be able to contribute much more towards the national integration and towards the government exchequer, and will feel rightfully proud as a responsible community of this great country. *Jai Hind* [Long Live India]" (Chopra 1998: 28).

Given the history of state attitudes toward filmmaking and the unfulfilled promises regarding policies and regulations governing cinema, ap-

parent from filmmakers' statements presented earlier in this chapter, it came as quite a surprise when Sushma Swaraj, the union minister of information and broadcasting, announced industry status for filmmaking in her remarks at the end of the conference. Various news media reported on filmmakers' reactions to the announcement. English-language news-magazine *India Today* described the scene, "The Applause was thunderous. Bollywood bigwigs, including Yash Chopra and Subhash Ghai, were among those on their feet clapping jubilantly. Union Information and Broadcasting Minister Sushma Swaraj had just announced 'industry status' for the Indian film industry" (Aiyar and Chopra 1998). The national daily *Indian Express*, in an article titled "Bollywood celebrates 'Independence Day,'" quoted producer J. Om Prakash stating, "Swaraj has exceeded 90 percent of our long overdue demands" and FFI president Sultan Ahmad saying that "it was more than what we'd asked for" (Desai 1998).

The state's most immediate reason for granting industry status had to do with trying to "rescue" the Hindi film industry from the "clutches of the underworld," or organized crime, and weaning it from its dependence on "black money" or unaccounted and untaxed cash income.<sup>36</sup> The finance capital for filmmaking in India has been connected to the vast unofficial—or "black"—economy, which some scholars estimate is nearly half the size of the official economy (Kumar 2005). One of the results of the high rates of taxation in India has been the creation of a parallel economy with high amounts of unregulated economic activity—mainly cash transactions—and large sums of unreported (thus untaxed) income, commonly referred to as "black money."<sup>37</sup> The Hindi film industry has been one of the main places to invest unreported income in India. The nature of finance meant that the majority of financial transactions and business dealings in the film industry have been in cash, where the accounting is highly secretive and most contracts have been oral.

Both the *Indian Express* and *The Times of India* had lengthy editorials the next day, endorsing the move and arguing that it was long overdue. *The Times* stated,

With its newfound status as an industry, Indian cinema finally gets the long overdue official recognition it deserves. Sooner or later the government had to shed its blinkered vision, which consistently denied a reality that was an intrinsic part of the Indian lifestyle, that had shaped Indian attitudes, fantasies, and fashions over several generations. If movie icons have influenced social behavior, films for their

part, have been the most conspicuous unifying factor, by consistently addressing a multi-cultural, multi-lingual, multi-religious audience in a pan-Indian voice. It was incumbent on the government to recognize the importance of a medium which literally translates the concept of "unity in diversity," especially given the increasingly fractured nature of the country's socio-political ethos. ("Boost for Bollywood" 1998)

Common to both editorials was the perception of the dominance of organized crime — "the underworld," in Indian parlance — in filmmaking, and that industry status would "exorcise the spectre of the underworld, which reportedly finances one-third of all Bombay films" ("Boost for Bollywood" 1998). The *Express* asserted that although the film industry called itself an industry for decades: "Behind that dignifying epithet lurked a shadowy business that could be hardly termed respectable . . . With the recognition of the film industry, its dependence on dubious sources of funding will hopefully end" ("Finally an Industry" 1998). While criminal activity has always played some financial role in filmmaking — profits from the Second World War black-marketeering were invested in the Hindi film industry — in 1997, a few high-profile murders of filmmakers, attributed to gangsters, brought the connections between organized crime and the Bombay film industry into the national and international media spotlight.<sup>38</sup>

While the declaration of industry status took place on May 10, 1998, and Swaraj promised that the "modalities would be worked out soon" ("Boost for Bollywood" 1998), the more concrete assertion of industry status did not occur until October 19, 2000, when filmmaking or the "entertainment industry" was recognized as an "approved activity under 'industrial concerns,'" according to the Industrial Development Bank of India Act of 1964. Being designated an industry communicates that filmmaking is part of the organized industrial sector. It was this recognition that paved the way for financing from banks and other financial institutions, since prior to this announcement, banks chose not to extend loans for filmmaking, due to its high-risk nature. Govind Nihalani, a longstanding and critically acclaimed director, explained the impact of industry status to me: "It created a confidence among the financing community, that after all, this is not such a speculative business, that it's possible to treat this industry as a proper business and if controlled well, and here — it's very simple — you control your budget, bring in the right inputs, and then it is a viable industry" (Nihalani, interview, May 2006). Since 2000, industry status has introduced a greater variety of financing for film-

making. Both the banking and corporate sectors have begun to invest in filmmaking, either by providing loans or by creating production companies. Some of the largest Indian industrial houses and corporations have created media subsidiaries that have entered television and film production. Another source of finance is the stock market, and some film production companies and exhibition companies have become public limited companies, with their stock listed and traded on the Bombay Stock Exchange. Industry status by the Central government also set the tone for state governments to rethink their policies toward filmmaking; although entertainment tax is still a source of contention between filmmakers and the government, some states offer tax breaks for films shot in their territory, while others have enabled the current boom in multiplex construction all across India by offering tax holidays to exhibitors and real estate developers.

While the initial declaration of industry status was explained in the familiar mode of the state's role in trying to improve cinema and filmmaking—that cinematic quality was related to sources of finance, and the state needed to play its part in cleaning up filmmaking by helping filmmakers escape from the clutches of dubious finance—subsequent discourse has focused on the economic potential of filmmaking. Rather than perceiving it as a vice or as a problem as it had in the past, since 2000 the Indian state has perceived commercial filmmaking as a viable, important, and legitimate economic activity that should be nurtured and supported. Government agencies, in partnership with film trade organizations, promote the export of Indian films at markets held during major film festivals such as Cannes. Regulations regarding foreign investment within the media sector have been relaxed, so that up to 100 percent foreign direct investment (FDI) is allowed in any aspect of filmmaking: financing, production, distribution, exhibition, or marketing. At various international fora, government officials court foreign investment by representing entertainment media as a high-growth industry in India. For example, at the World Economic Forum held in Davos, Switzerland, in 2006, the India Brand Equity Foundation—a public-private partnership between the Ministry of Commerce and Industry and the Confederation of Indian Industry (CII)—distributed a report, "Entertainment and Media," which provided an overview of the various media forms and their economic potential in India. After stating that "India today is a major emerging global market," the report asserts, "The Indian Entertainment and Media Industry has out-performed the Indian economy and is one of

the fastest growing sectors in India" (Pricewaterhouse Coopers 2006b: 1). The report concludes, "With a host of factors contributing to the double-digit growth of the industry and an added easing of the foreign investment norms, the E&M Industry in India thus is a sunrise opportunity that presents significant avenues for investment" (Pricewaterhouse Coopers 2006b: 20).

To fully comprehend the dramatic shift in attitudes toward cinema—from a tool for social change to an engine of economic growth—it is illustrative to compare the following two statements made by state officials separated by a span of twenty years. The first statement was made by the Chief Minister of Maharashtra, A. M. Antulay, in 1981, on the occasion of the fiftieth anniversary celebrations of Indian sound films. He wrote, "The film being the most effective medium of communication, its potential, besides providing wholesome entertainment to the masses, lies in its tremendous capacity to create social consciousness among the people about all evils, and this must be harnessed to the maximum benefit of society at large. I am glad that the film industry as a whole is helping every national cause in its own way" (in Ramachandran 1981: 8). The second statement was made in 2000, by Arun Jaitley, minister of information and broadcasting, during a conference held by FICCI titled "The Indian Entertainment Industry: Strategy and Vision." He stated, "The entertainment industry, along with the IT industry, have become the buzz words globally. It is being widely recognized and accepted that together these two sectors will increasingly dominate the world economic landscape. Recognizing the importance of this industry, the budget for this year has given major concessions to this segment, which will pave the way for its rapid growth. It is expected that, taking advantage of these measures by the Government, the Indian entertainment industry would take the initiative in multiplying manifold its revenues, contribution to the exchequer, employment potential, and foreign exchange earnings" (Arthur Andersen 2000). Although both ministers expect filmmakers to serve the nation—either socially or economically—film for the former is a medium of communication and means for social transformation, while for the latter it is a vehicle for economic ascendancy. Jaitley's remarks also acknowledge that state economic policies are key for the success and growth of filmmaking—a point that filmmakers had been arguing since the 1950s, but went unheeded for decades.

Along with a change in the language used to discuss cinema—from "film" to "entertainment industry," from "social consciousness" to "contribution to the exchequer," there has also been a significant change in

the nature of reports and publications generated about filmmaking. For more than four decades, the various inquiry committees, symposia, and conferences were initiated by the state, mainly via the Ministry of Information and Broadcasting, to study the problem of cinema primarily both as an art form and as a tool for development in India. Since 1998, FICCI, rather than the MIB, has been the main organization sponsoring conferences and discussions about filmmaking in India—as part of the larger category of the entertainment industry—primarily through its annual convention, “FRAMES: Global Convention on the Business of Entertainment.” As apparent from the title, the focus is on the commercial aspect of cinema—the film industry is analyzed with respect to its projected turnover, export earnings, and tax revenues; rather than via the state bureaucracy, these reports and financial analyses of filmmaking are produced by multinational accounting and consulting firms such as Arthur Andersen, Pricewaterhouse Coopers, KPMG, and A. T. Kearney, along with Indian firms such as Yes Bank.

Although filmmakers who spoke at the 1998 conference presented industry status as crucial to the health and success of filmmaking, in my later visits to Bombay, members of the industry I spoke to were less sanguine about the impact of industry status. Many felt that other than granting industry status, the state had not done much to address the issues facing filmmaking, specifically the problems of piracy, high taxation, and unreasonable export and import regulations. Shravan Shroff, a member of the board of directors of the Shringar Group—an integrated distribution and exhibition company—and the director of their exhibition division, Fame Cinemas, shared his views about the role of the government in filmmaking: “I think the role of the government is pretty non-existent. They don’t do anything. They granted the industry status so there is funding from IDBI [Industrial Development Bank of India] but proactively, are they working with industry bodies, like how the U.S. government works with the MPAA to look at piracy issues? Not really” (Shravan Shroff, interview, May 2006).

While many filmmakers were subsequently dismissive about the impact of industry status, I contend that the symbolic significance of the declaration was tremendous. It was only after gaining industry status that top industrial houses and corporations, such as the Birla Group, Tata Group, Sahara, Reliance, and others began their forays into film production. FICCI created its Entertainment Committee in 1998; prior to this, there were no formal or institutional partnerships between the world of Indian business and the world of filmmaking. There were no laws or regu-

lations preventing Indian corporations from entering film production, distribution, or exhibition.<sup>39</sup> The dominant image of the film business, as a disorganized money-laundering operation, populated with unseemly characters, made it difficult for publicly traded companies to venture into this domain. Industry status granted legitimacy to filmmaking, within the larger financial and corporate community, that had not existed previously.

Chitra Subramaniam, who at the time of our meeting was an executive producer with Percept Picture Company—a production and distribution company created in 2002 by Percept Holdings, a media and communications conglomerate—explained the impact of industry status within the corporate world: “There was a certain amount of respectability. What does that mean? That means you can have different sources of financing, which therefore makes it respectable; that makes it something that corporates decided to get into it because—even if they wanted to get into entertainment—it was a field that nobody knew how it was run. You know it was a typical Mom and Pop shop kind of thing” (Subramaniam, interview, May 2006). “Respectability” has been a longstanding concern of Hindi filmmakers and in chapter three I discuss other avenues of achieving and displaying respectability on the part of the film industry. Subramaniam’s characterization of filmmaking as a “Mom and Pop shop” is a reference to the centrality of kinship networks within the Hindi film industry. She continued by pointing to why corporations are entering filmmaking, “Companies like ours are companies that have gotten in because they feel that this is a good business to get into . . . I think the corporates are here to stay. I think that a lot of companies will get into it: new sources of financing which are accountable; revenue streams are improving; distribution channels are improving; you know . . . all these things are coming in, so people are seeing it as a business opportunity of basically creating content and finding ways of revenue streams to get that content across” (Subramaniam, interview, May 2006). Longstanding industry members hail these developments as positive steps toward bringing greater discipline, efficiency, and financial transparency to filmmaking. “Corporatization” is the favorite term bandied about by Hindi filmmakers and the Indian press, which is used to describe the efforts of the Bombay film industry to become more organized. In chapter seven, I discuss the multivalent nature of the terms “corporate” and “corporatization,” and the way they articulate with the film industry’s own practices of creating distinction.

In addition to new modes of financing and producing films, the other concrete impact of industry status has been in the exhibition sector, most visibly manifest by the boom in multiplex construction. From the late 1990s, news of ventures and agreements to construct multiplex cinemas in India kept surfacing periodically in the media, since the exhibition sector was regarded as severely underdeveloped, with theaters in short supply for such a vast film-going public. India has one of the lowest ratios of screens to population in the world. Although the first multiplex theater in India opened in New Delhi in 1997, there were no others until after 2000, when the Central government's granting of industry status to filmmaking, in 1998, was actually operationalized into more specific policy. In 2001, with the professed aim of promoting tourism, several state governments announced tax incentives, such as the complete or partial waiver of entertainment tax for a prescribed period, in order to spur new investments in the exhibition sector.<sup>40</sup> The first four-screen multiplex in Bombay was inaugurated on October 25, 2001, taking advantage of new tax benefits granted under the state of Maharashtra's newly formulated multiplex policy, which granted a complete exemption from entertainment tax for any theater with a minimum of four screens totaling at least 1,250 seats in its first three years of operation, and then a 75 percent exemption for the next two years (Shringar Red Herring Prospectus 2005).<sup>41</sup> The pace of multiplex construction in India has been quite rapid: from 80 multiplex screens in 2002 to about 900 screens by 2009 (Mukherjee 2009). Six national chains account for more than 80 percent of the multiplex theaters in India, representing a significant consolidation of the exhibition business, while the single-screen sector remains relatively fragmented in terms of ownership, operation, and branding.<sup>42</sup>

However, rather than increasing, the total number of screens in India appears to be declining, as it has been for a number of years.<sup>43</sup> According to statistics compiled by the Government of India's Ministry of Statistics, the number of permanent cinema halls in India decreased approximately 27 percent between 1999 and 2009, from 9,095 to 6,607.<sup>44</sup> Of these, about 300 are multiplexes with a total of 900 screens, which leads to an estimated total of 7,207 screens for all of India in 2009—a 20 percent decrease in the number of screens from the previous decade. Therefore, the expansion of multiplexes thus far appears to not have actually increased the overall number of screens in India, despite the main argument advanced by members of the industry most involved with the development and expansion of multiplexes: that India is severely “under screened,”

hence their ventures are necessary to rectify that situation. The reason is that while multiplexes are mushrooming throughout the urban centers of India, the large single-screen theaters that have been the mainstay of the theatrical exhibition sector for cinema have been slowly closing down. Since the 1980s with the advent of video and the expansion of television, movie theaters have faced a variety of challenges due to high taxation, video piracy, competition from other modes of entertainment, and capricious audience behavior. As mentioned earlier, entertainment tax has been one of the most contentious issues between filmmakers—especially exhibitors who bear the brunt of the tax most directly—and the state at the regional level, resulting in periodic strikes on the part of theaters as a way of protesting heavy taxation. For example, in a span of less than one year, approximately one thousand single-screen theaters in Maharashtra went on strike three times—refusing to screen films from periods of a few days in May and October 2003, to three weeks from March to April 2004—to protest the state's entertainment tax rates and multiplex incentives.<sup>45</sup>

Although exhibitors I met in 1996 discussed the difficulties facing the theatrical sector, they were generally optimistic about the future. By 2006, however, with the spread of multiplexes throughout Bombay, the owners and managers of single-screen theaters I met were much less optimistic about the future. Rajkumar Bajaj, who controlled some landmark single-screen theaters in downtown Bombay, and at one time was referred to as the "South Bombay King," asserted, "multiplexes are definitely killing the single-screen cinemas."<sup>46</sup> He explained that most single-screen theaters were going out of business, as they were unable to earn the revenues necessary to pay salaries or even electricity bills. Although one of Bajaj's theaters, Eros Cinema, was still doing reasonably well, according to him, because of its location and well-maintained interior, his overall demeanor during our interview was one of resigned acceptance of the changes at hand, stating at one point, "It's nobody's fault; it's only our bad luck."

While Bajaj appeared resigned, Nester D'Souza—manager of the erstwhile Metro Cinema and former president of the Cinematograph Exhibitors Association of India (CEAI), which spearheaded the theater strikes in 2003 and 2004—offered a variety of social, economic, and political explanations for the troubles of single-screen cinemas. As we sat in his office, surrounded by the sights and sounds of construction—since the Metro was being converted to a multiplex in 2006—D'Souza castigated state

policy, specifically the tax holidays offered for multiplex construction.<sup>47</sup> Arguing that it was not “fair to the mass of the people,” D’Souza objected to the standard reasons explaining the benefits offered for multiplexes. “Come on, what do you mean he [the multiplex operator] has put up a new project, therefore it [a tax holiday] has to be given? When I put up a new project, did you give me a tax benefit? So why are you differentiating with him?” D’Souza challenged the right or claim of multiplexes to any sort of government benefit, asserting, “From 1936, I [referring to Metro and not himself personally] have been paying the government, you [the multiplex operators] did nothing. His [the multiplex operator’s] argument is, ‘you recovered your investment.’ So I say, you too will recover your investment just like we did, even with 75 percent tax rates.” Regarding the oft-cited claim that multiplexes were equipped with far superior amenities and state-of-the-art sound and projection facilities, D’Souza asserted that his theater was not inferior: “Dolby, DTS? I have that; I have a bigger screen. What else does he have? Cleanliness; toilets? That we all have to have.” He posited that rather than a blanket policy that favored multiplexes over single-screen theaters, the state should establish a set of standards for service and quality as the basis for extending tax benefits, regardless of screen numbers. Thus, older single-screen theaters would also have an incentive to upgrade their facilities, and those whose facilities were on par with the multiplexes, like the Metro, would not be unduly disadvantaged.

D’Souza chafed at what he felt were the state’s unduly unequal policies favoring multiplexes over single-screens, “Today all the cinemas have died, and I am not saying it’s only because of multiplexes; but, you know, you have really created an uneven field. You are giving him tax breaks, but not giving me any tax breaks. You bend backwards or even change the rules for him. We are all supposed to close down at one o’clock [1:00 a.m.]. How come he can close down after? Now why am I, why was I not allowed to do that? Now that has nothing to do with the quality difference between a multiplex and a single-screen” (D’Souza, interview, May 2006). State policies favoring multiplexes, which cater to high-income individuals, over single-screen theaters, which draw viewers from a broad socioeconomic spectrum, are a powerful manifestation of what Leela Fernandes has described as the “politics of forgetting,” which is a “political discursive process” whereby an assertive middle-class identity works to displace the poor and working classes from public space and national political discourse (2004).

This chapter has detailed how—after years of disapproval, disdain, criticism, and neglect—the Indian state changed its attitudes and policies toward commercial filmmaking. From being regarded as a locus of “sinful technology” (Gandhi) in the 1920s, and a producer of “culturally vacuous films exclusively designed for making money through audience manipulation” in the 1980s (Working Group), filmmaking became a “serious business” that has to be “tuned to the demands of today’s competitive business economy” (FICCI 2003).<sup>48</sup> The intersection of neoliberal economic rhetoric with the rise of cultural nationalist politics signified by the Hindu nationalist and pro-business Bharatiya Janata Party (BJP) were important factors in the shifting attitudes toward filmmaking and the Hindi film industry. It was no accident that a BJP-led government granted industry status to filmmaking, since its support base is heavily drawn from the small business owner and entrepreneurial class who also comprise the vast distribution, exhibition, and finance apparatus for Hindi filmmaking. Additionally, as I will discuss in the next chapter, Hindi films from the mid- to late 1990s—emptied of all poverty and class conflict and populated with wealthy families, Hindu rituals, and elaborate weddings—presented a nostalgic vision of Indian culture and “family values” that frequently corresponded with, or did not pose a challenge to, the BJP’s own cultural rhetoric.

The granting of industry status fits in with the new economic imaginary (Wyatt 2005) articulated by the Indian state since the advent of neoliberal reforms. Satish Deshpande (1993, 2003) discusses how the Nehruvian era emphasized the centrality of production, symbolized by key heavy industries—steel, power, mining—as the path toward a modern and successful national economy, which served as a metonym for a modern and successful nation. He points out how Nehru, in his statements and policies, was consistently forging connections between production and patriotism. Deshpande argues that the contemporary Indian state’s economic imaginary, with its emphasis on consumption, represents a significant departure from the Nehruvian one; when production is valued, it is that which serves the needs of global markets rather than those of the nation (2003: 73).

These changing regimes of value within the economic imaginary—from production to consumption, from domestic needs to global markets—help to account for the altered status of filmmaking, from an extravagant expenditure of scarce capital and resources to an engine of

economic growth. Software is not the only commodity to displace steel in the national economic imaginary (Wyatt 2005); as apparent from Arun Jaitley's statements, films also occupy an important position in that imaginary. Film exports—India has been exporting films since 1950s, and systematically since the 1970s—are now seen as a potential gold mine of foreign exchange earnings. Cinema's significance in a neoliberal economic imaginary arises, however, from its ability to circulate in a variety of global markets, which becomes a cause for nationalist celebration. With cinema occupying an important position in the national economic imaginary, the circulation of Hindi films in places like the United States, United Kingdom, or Germany represents the success of the Indian nation on the global stage. That the Hindi film industry is the only other dominant globally circulating film industry, and that Hindi films are registering equal or higher box-office grosses than Hollywood films in advanced industrialized countries such as the United States, Japan, or Britain, are facts interpreted by the Indian state, press, and filmmakers through a matrix of national pride and distinction. The steady stream of European, Australian, Canadian, and American representatives of tourist boards and film councils to Bombay, meeting Hindi filmmakers and offering incentives to shoot in their countries—with the hopes of increasing tourism from India—demonstrates how filmmaking can operate as a medium for reversing the typical economic relationship of the First to the Third World, which had defined India's status in the world system since Independence.

In an era dominated by neoliberal discourses of market forces and free trade and the dismantling of state supports and the public sector, the growth and survival of the Hindi film industry, despite official neglect, has been recast by the Indian state, corporate sector, and media as a symbol of native ingenuity and success.<sup>49</sup> This resignification of the film industry is an important dimension in its gentrification, as it has accorded filmmaking a level of legitimacy and respectability that had not existed in earlier periods. The next two chapters examine how this resignification interacts with the film industry's longstanding concern with cultural legitimacy and social respectability.