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“Somebody Must Put a Lid on Budgets”

By VINCENT CANBY

For weeks before the first public showings of Steven Spielberg's new science-fiction spectacle, "Close Encounters of the Third Kind," the common stock of Columbia Pictures Industries, the company that has invested more than \$18,000,000 in the movie, was climbing in a lunatic way that would give pause to any serious market investor. From a year's low of 7 3/8, the value of the stock climbed to a high of 19 3/8 a day before the film's premiere. On the day the film opened, my office telephone was ringing in a way it hadn't since the circulation of the last rumor about James Dean that he was alive and well selling postcards at the Miami Seaquarium. Only one of the callers was a movie-nut—a hysterical young man who wanted to make sure that in my review of "Close Encounters," which was to run the next day, I didn't tell him everything that happens in the last 30 minutes of the movie. He'd already seen the movie, he said, and the experience had been seriously damaged because someone on another publication had given him a minute description of the film's climax. He told me firmly that he didn't want that to happen when he went back to see the film again (because, I assume, he has the gift of total forgetfulness).

The other callers were no less aggressive but far more disturbing than the movie-nut who, after all, has a passion for the movies. The other callers revealed nothing more exalting than a passion for profits. They were, it was apparent, some of the people who had been speculating in Columbia stock and wanted inside dope on what The Times review was going to say the next day, thereafter to hang onto their stock if the review was good or to dump it in case it was a pan. From the south, the midwest and the far west came these wheedling, often rude requests from people who sometimes couldn't even correctly remember the film's title, which was also revealing since the title is so good it takes some effort to get it wrong.

Though these calls were no more than annoying, and though they abruptly stopped as the markets across the country closed, they were an unsettling reminder of the movie industry's increasing vulnerability to uninformed, mass-market whim, in this case not on the part of audiences, who have always been grandly unreliable, but on the part of speculators. Never before, as far as I can remember (back even to the days of Elizabeth Taylor's "Cleopatra"), has this group made its presence and power so dramatically known. It's not a healthy situation for either the people who make movies or those of us who watch them, hoping always for the best but accepting, most of the time, something much less.

It's the general agreement of Wall Street analysts that the people expressing the terrific interest in Columbia stock were the smaller speculators, people who know little about the movie business (especially its accounting procedures) but who have been impressed by the way that the box office success of "Jaws" influenced the value of the stock of MCA and, later, by the effect of "Star Wars" on 20th Century-Fox. Institutional and other conservative investors have about as much enthusiasm for movie companies as they have for Staten Island gold mines. They know better. The other speculators don't. They made note of the bottom lines on the MCA and 20th Century-Fox statements and, figuring that Mr. Spielberg, who directed "Jaws," has the golden touch and that science-fiction is in, bought Columbia stock with both hands, not realizing that because of other factors "Close Encounters" would have to become the second or third largest moneymaker of all-time to affect the true value of Columbia stock in a spectacular way.

I'm not a stock market analyst but it may be that such analyses will one day become an integral aspect of the film critic's trade. How can we write intelligently about a particular movie without knowing, for example, that the reason it was made was because Titanic Pictures (a name borrowed from Comden & Green), being about to sink into bankruptcy, had invited Arabian oil money to finance its all-star \$40,000,000 remake of "Grand Hotel" set in Oman?

It's not the fault of Columbia Pictures that "Close Encounters" created such greedy interest. The phenomenon is simply another symptom of the true state of an industry in which costs have risen faster than the inflation rate and most films are flops, but in which the few films that are hits make more money than could have been dreamed of a decade or two ago. Producer Richard Zanuck's share of the profits from "Jaws" reportedly represents more money than his father, Darryl, made during a lifetime as one of Hollywood's most successful producers. The film industry has never been known for its stability, but now it's become the world's greatest roulette game with movies instead of chips. Is it any wonder that movies now should seem less important for being what they are than for what they might win for the player?

The need to win distorts all values, judgements. Decisions become desperate. It's always been true in American film-making that the "good" film was the one that made money, and the "talented" movie-makers were the ones whose films were profitable. The bigger the profits, the bigger the talent. That's Hollywood's rule-of-thumb. As the movie industry has shrunk, making fewer and fewer films a year, the mounting pressures have led to decisions that, in retrospect, seem mad—to the production of such multi-million-dollar flops as "Lucky Lady" (written by the team who wrote "American Graffiti"), "Sorcerer" (directed by the man who directed "The Exorcist"), "1900" (directed by the man who gave us "Last Tango in Paris"). In each case one smash hit paved the way for a smash failure.

What complicates all of this is that, occasionally, one smash hit does lead into another. The faith that 20th Century-Fox had in George Lucas because of the success of "American Graffiti" has paid off in "Star Wars." "Close Encounters" has just opened but the initial receipts indicate that the film is going to be extremely popular.

This gamble may well pay off, but at what eventual cost? Will Mr. Spielberg next conceive a film that will cost \$35,000,000 and will Mr. Lucas be allowed to spend \$50,000,000? Somewhere along the time someone has got to put a lid on these budgets or we'll wake up one morning to find the movie industry died the night before in its sleep.

Being of a generation that could understand budgets of \$20,000,000 and up only when they had to do with engineering projects on the order of Boulder Dam and the Golden Gate Bridge, I find it difficult not to regard with moral outrage the huge amounts of money being spent on individual films. After all, a movie is a movie. When I get over the moral outrage—and I eventually do—I wonder what percentage of these inflated budgets we ever see on the screen. It's one thing to spend \$8,000,000 to \$10,000,000, as Mr. Lucas did in "Star Wars," to come up with a fantasy that is unique, and quite another to spend over \$15,000,000, as was spent on "Lucky Lady," to tell us a mundane tale about a trio of self-absorbed bootleggers on a yacht.

Though I think of Bernardo Bertolucci's "1900" as a failure, it is a failure of a respectable order, full of great ambition and high hope and, considering the running time, the film probably cost less per minute of finished screen time than did Martin Scorsese's "New York, New York." The Bertolucci film is a failure but it's not depressing in the way of William Friedkin's "Sorcerer"—a \$20,000,000 remake of a nice little movie ("The Wages of Fear") that hardly demanded

to be remade.

That \$20,000,000 has apparently gone up in smoke. Actually, “Sorcerer” is a fairly entertaining movie, but it would probably have been better if it had cost less. It was over-produced, and being over-produced (too much attention and money spent on details of secondary interest in a suspense melodrama) it had the effect of forcing critics to talk about budgets and money, things that have no place in critical discussions in the other arts.

One of the inevitable effects of skyrocketing budgets is to inhibit the imaginations of movie-makers. Stick to familiar formulas, they are told. This is what Mr. Spielberg has done in “Close Encounters,” and though he’s done it better than anyone else, it’s still formula. Another effect—one that I have no way of gauging—must be the film-maker’s own suspicion that he is working in Never- Never Land. To be in charge of the disbursement of \$20,000,000 on behalf of a movie about flying saucers has to be a heady sensation. Also unreal. Can people working with such sums maintain their connections with the world that the rest of us inhabit? Do they survive by thinking of it as Monopoly money? Do they think of it at all? Artists aren’t supposed to worry about money but film-makers must if the commercial movie industry is to survive.

The furious speculation in Columbia stock is depressing because it seems such a foolish way to make a buck. But then the fever in which all those people were buying the stock is not much different from the atmosphere in which movies are being made today. It’s the same roulette game, with additional players.