# "Windows on the West: Foreign Television Programming in Hungary and the Future of U.S. Domination of Global Television"

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If you flip through the cable channels in Budapest, Hungary, you can find indisputable evidence of Western cultural imperialism, from American controlled theme channels such as HBO, Animal Planet, National Geographic, and Fox Kids, to locally-run public and commercial channels that fill their prime time hours with American films and German crime series. Hungarian fiction programs are few and far between.

At the same time, Hungarian television also demonstrates what mainstream economists term "diminished reliance" on imported programming. This theory argues that, because viewers prefer locally-produced programming in their native language, as television industries develop, they decrease their reliance on cheap but marginally popular imported programming, and increase their investment in more expensive and popular domestic fare. Established in 1997, Hungarian commercial television now boasts a top-rated prime-time soap opera, popular local versions of global reality skeins, and a handful of local versions of imported sitcoms that support this position as well.

I offer these observations to suggest, against the cultural imperialist and the mainstream economic views, that the Hungarian television industry is simultaneously becoming more dependent upon imported programming *and* more independent at the same time, much as the term "globalization" implies a contradictory move toward increased internationalization and increased localization. Moreover, I believe that the Hungarian case is indicative of many of the world's television markets today.

In order to explain this argument more fully, I want to concentrate on the case of imported Hollywood feature films in the Hungarian television market. I want to look at how four very different broadcasters in Hungary use features in their scheduling and financing practices, how features are able to play different roles at different broadcasters, and why features have become so central to the business operations of these broadcasters. Ultimately, I hope to suggest that both economic methods and audience ethnographies are insufficient tools for understanding the global circulation of television programming. Instead, we need to develop what I will call a "cultural economics" of global television trade that explores the multiple business cultures within which international television professionals operate.

At the risk of oversimplifying, I believe that we can divide most analyses of global television circulation into two camps. The first camp, dominated by Marxist political economists, identify economic forces as the engines that drive global television circulation. In this model, the expansion of American and Western commercial media requires them to develop secure "pipelines" for their productions outside the Western world, which explains their investment in television broadcasters around the world and the worldwide dominance of Western-produced programming.

The second camp comprises an odd collection of pro-market economists and cultural studies scholars. What the members of this camp share is a belief that the cultural sensibilities of the audience shape global television flows. Poole, Wildman & Siwek, and Hoskins, McFadyen & Finn all argue that, since viewers prefer local programming in their native tongues, commercial competition in a domestic television industry will lead to culturally-relevant programming. Cultural studies theorists make a similar argument that viewer preferences for "culturally proximal" or "populist" television fare determine what programs travel where.

It seems to me that both of these camps miss the importance of the international television sales industry as a mediating force between the preferences of viewers and the demands of global capitalism. Tens of thousands of television professionals worldwide spend their days interpreting economic data, identifying potential buyers and promoting their programming to those buyers, measuring audiences' viewing preferences, and using those measurements to divine viewers' tastes and make future buying decisions. Today, distribution companies and television broadcasters worldwide employ people whose sole responsibility is to interact with others in the international television business.

A theory of "cultural economics" is necessary to explore how international television professionals mediate the economic and the cultural. Paul duGay and Michael Pryke suggest two primary aspects of the interpenetration of economic and cultural categories that associate with a developing field of cultural economic inquiry– first, business practices such as marketing and pricing are inherently cultural acts that have real effects on economic performance; second, the "culture" of every corporation determines a range of assumptions that in turn influence economic decisions. I will be exploring the latter definition, arguing that the widespread reliance of broadcasters on Hollywood films in Hungary and worldwide reflect economic decisions based in assumptions that derive from the cultural worlds that television professionals inhabit.

One enduring feature of the evolving international television scene is the continued presence of American feature films in prime-time schedules around the world. In 2001, 90% of all films shown on television screens around the world were from Hollywood. While locally-produced television programs have replaced American series in prime-time schedules across Europe, Latin America, and Asia in recent years, Hollywood films continue to have a strong prim-time presence in most markets. In Hungary, for instance, most evenings feature at least one

Hollywood film on the commercial or public broadcasters. Why have feature films retained this presence in the face of the general assault on imported programming? The answer lies in the unique flexibility that Hollywood films offer television broadcasters to pursue their particular business strategies.

To demonstrate this point, I want to look at how four Hungarian television broadcasters use imported feature films. These broadcasters are a large, general entertainment commercial broadcaster, RTL Klub, the main public broadcaster, MTV, a publically funded satellite broadcaster that targets Hungarian-speakers in neighboring countries, Duna TV, and a satellite network that feeds 100 local television channels in Hungary, Hálózat. The research I'm going to present is based on 8 months of interviews with more than 30 Hungarian television professionals, many of whom I interviewed several times. These interviews took place in two stages– a two month period in the summer of 2001 and a six month period in the summer and fall of 2002– a comprised more than 80 hours of interview time.

RTL Klub is one of the two commercial broadcasters that dominates the Hungarian television landscape, together averaging more than 80% of viewers during prime-time. RTL Klub is perhaps the quintessential example of a national television broadcaster that is a cog in the global media machine. Owned by a consortium that includes CLT-UFA, one of Europe's largest TV and film distributors, Bertelsmann, and Pearson, a UK-based production giant, RTL Klub targets a general audience with entertainment programming, though its most lucrative audience is the 18-39 urban viewer, who is the most sought-after by advertisers. Program schedulers try to capture this demographic at the beginning of prime-time with locally-produced melodrama and reality programming, and build the audience throughout prime-time, usually culminating in a Hollywood feature film. Hollywood features draw a wide audience, though they tend to lose some of the 18-39 demographic, who generally watch new releases in theaters and prefer the theatrical tradition of subtitling films in English to the dubbing of films into Hungarian, which is the norm in television. Because they make more than 80% of ad revenues during prime-time, RTL-Klub and its competitor, TV2, spend a large percentage of their budget on features. In fact, features are so lucrative that the commercial broadcasters compete ferociously for the newest releases, bidding ever larger sums of money and buying ever larger tracks of programming from Hollywood distributors in order to secure them. The primary function of feature films at RTL Klub, then, is to draw large, undifferentiated audiences that the broadcaster can use to sell advertising time, mostly to multinational advertisers. RTL Klub's competitor TV 2 uses films in the same way, which is the main business purpose that those of us accustomed to commercial broadcasting are familiar with– delivering audiences to advertisers for maximum profits.

However, every broadcaster in Hungary– with the exception of theme channels that program particular genres, such as the telenovela channel Romantica– buys American feature films, each for its own reasons. The next example I want to offer is the main public broadcaster, Magyar Televízió, or MTV. Until 1997, MTV was pretty much the only game in town, but it quickly bled viewers when commercial broadcasting was introduced, and today has difficulty posting ratings above 10 percent. MTV is partly funded by advertising, though the majority of its revenues come from the federal government, and the broadcaster is barred by law from interstitial advertising. Consequently, while advertising dollars do play a role in MTV's decisions to buy feature films, they are not the only factor. Hollywood films play a less prominent role in MTV's prime-time line-up, which also features European films and television series, but the broadcaster does program Hollywood films in prime-time frequently. In fact, the program buyer for MTV told me that she would prefer to buy more new Hollywood releases, but she has trouble competing with the commercial broadcasters. Beyond profit-making from advertising, Hollywood films play two crucial roles for MTV. First, MTV uses the ad revenues from Hollywood films to purchase cultural programming and to offset losses associated with airing cultural programming that draws small audiences. Second, the ratings generated by Hollywood films demonstrate to lawmakers that MTV is a viable broadcaster and an appropriate government expenditure. That is, when MTV's viewership plummeted, many lawmakers began to wonder about funding a public broadcaster with minimal public appeal. By keeping ratings numbers up during prime-time, Hollywood films help answer such criticisms.

The third broadcaster I want to look at is the public satellite broadcaster, Duna Televízió. Duna TV began broadcasting in 1992, soon after the dissolution of the Soviet bloc, and is partly funded by advertising like MTV. It targets the three million Hungarian speakers who live in neighboring nations. The maintenance of ties with Hungarian minorities living in Central Europe has been one of the few consistent governmental priorities as the political climate has lurched from left to right every few years. Duna runs fewer American films than MTV or the commercial broadcasters, typically several times a week at the beginning of prime-time, and these films are mostly older, cheaper library titles. According to the managing director of Duna, imported Hollywood films serve three main purposes: first, they brings in ad revenues that Duna TV uses to purchase documentaries and cultural programs from around the world; second, they fulfill the remit of the broadcaster to provide a window on the world to otherwise isolated viewers, at the same time it makes the broadcaster popular with viewers; third, the increased viewership associated with American films demonstrates to the governmental oversight board that the management is doing an effective job.

The final organization I want to talk about is Hállózat, which programs an 18-hour satellite feed for the 100 local broadcast and cable channels in Hungary that were created by the 1995 media law. These channels are run by local governments, who are solely responsible for programming them, but Hálózat offers its feed when the local channels have nothing to air. In addition, Hálózat provides technical assistance and training for local television producers and facilitates original program trade and collaboration among the local channels. Hálózat began broadcasting in the spring of 2002, with an aim to become 2/3 advertising supported and 1/3 government supported. The service dedicates Wednesday night to action films, most of which are second- or third-run Hollywood features that it buys from local distributors. According to the corporation's CEO, Hollywood films provide crucial ad revenues that it uses for local production and training, and also help build brand identity for the channel with viewers.

Each of these broadcasters, then, depends upon the popular appeal of Hollywood features to serve specific business interests, from sheer bottom-line thinking to efforts to ramp up local production across Hungary. Hollywood films offer this flexibility because of their relatively predictable audience appeal and their relative cheapness compared with self-production, especially library titles. In short, Hollywood films offer the best return on investment. In this way, it seems to me that Hungarian broadcasters have become dependent upon imported Hollywood films in order to serve a variety of business models that, ironically, also foster local production and television inflows from outside the West.

I also want to argue, however, that there is nothing natural or inevitable about this situation. That is, the reliance of every possible Hungarian broadcaster on Hollywood films, as well as the thousands upon thousands of broadcasters worldwide who rely on such films in similar ways, is at least as much a matter of perception as performance. What I mean is that it's completely reasonable to assume that a Hungarian buyer looking to import the most popular programming from the world audiovisual markets would make a very different decision than a Panamanian buyer. The fact that they both choose Hollywood films for this task demonstrates that buyers' decisions stem from their involvement in multiple cultural worlds, including the local public culture, the local professional culture, and the professional culture of international television trade. The apparently universal popularity of Hollywood features is only one example of the business lore that circulates through the international television business and the various local, national, and regional business that make up global television trade. The fact that such cultural forces influence economically relevant practices demonstrates the necessity for a cultural economic approach to studying international television trade.

Ultimately, I believe, we have to explore the shape and direction of global television flows through close study of each of the cultural worlds that contemporary television professionals inhabit, the intersections among these worlds, and the flows of knowledge and discourse among them. We need to apply the methods of cultural studies that have been so successfully applied to understanding the worlds that television viewers inhabit to understand the operations of global television trade, without losing sight of the fact that the worlds of television professionals also contain powerful economic forces. While television studies has a long, if somewhat submerged, history of studying production in close and careful ways, very few such studies of television sales exist. Nevertheless, as the American model of commercial broadcasting spreads across the globe, such a nuanced understanding becomes crucial if we want to account for how and why global flows of television culture take the shapes that they do.