

The Possibilities for the Future of the Japanese Film Industry

By Jane Kagon

*A young shoot has borne
Beautiful flowers
Growing upon
An aged plum tree*

*Basho
ca. 1680*

IF current developments in the Japanese entertainment business, or the content industry as it is called in Japan, are indicative of blossoming trends, the prospects are bright and boundless. Forward-thinking Japanese decision makers are finding practical solutions to sustain industry momentum and retain a leadership position in the global market, both in terms of market share and cultural influence. Unquestionably, the Japanese film industry's future success will lie in the current three-pronged endeavor by private industry, government and educational institutions to design an integrated business model and to support an educational environment for creativity and entrepreneurship. This is a daunting challenge, since these efforts are taking place in a radically changing post-Hollywood-centric global media era.

Two of the main causes for the paradigm shifts in today's entertainment industry are globalization and the digital revolution. The old Hollywood business models are being disrupted by new technologies, converging content platforms and new distribution models. There are heightened expectations for "on demand" content delivery. At the same time, American movie hegemony is eroding, allowing for expanded niche market opportunities and the advancement of home-grown film industries. With the democratization of the media, the playing field is being made more level. Anyone with a digital camera, a computer, access to the internet, enough energy and an idea (a quality idea is not a prerequisite) can become a filmmaker.

The winners in this "new game" will be the independent filmmakers and

media companies which create transnationally appealing content. As the international entertainment industry is birthing a new global popular culture, profound cultural issues are being raised. In a world where intersecting and colliding traditions are struggling, for better or worse, to evolve into a more homogenized whole, a challenge is placed upon the table. The serious question that must continue to be addressed by content creators, decision makers and concerned citizenry around the world is how to retain and convey unique, indigenous cultural characteristics, while at the same time telling stories which interest an international audience.

In this exciting entertainment economy, Japan already stands out as an influential and ubiquitous contributor. A provocative analysis of Japanese cultural influence is offered by Iwabuchi Koichi's 2002 article "Soft Nationalism and Narcissism: Japanese Popular Culture Goes Global." Anime, manga and games are the premiere Japanese soft-brand envoys to the world. The Japanese film industry ranks third in film production after the United States and India. And in fact, notwithstanding a downturn in the 90s, Japan has historically been prominent in the global entertainment business – from the halcyon decades of the 50s and 60s, when the film masters like Kurosawa, Ozu and Mizoguchi were treasured throughout the world, to the 70s and 80s when remakes of notable Japanese titles served as a source for Hollywood studio releases. (As I write this article a popular Los Angeles movie house is showing digitally re-mastered versions of *Godzilla* and *Mothra*.)

The current strengthening of Japan's film industry is due in large part to efforts by the private business sector. According to Mark Schilling, writing for *Screen International's Japan Outlook 2005*, "The year 2004 will go into the annals as a watershed year for the ongoing

renaissance of the Japanese industry." Miyazaki's Academy Award winning *Spirited Away* pointed the way, grossing ¥30.5 billion. A quick perusal of the last several months of *Screen International*, *Daily Variety* and *The Hollywood Reporter* reflects a panorama of positive trends. On the domestic front, the number of independent production companies is growing with an impressive slate of film titles. More cineplexes are being built. The number of local film commissions is expanding. New business models are being created. One is the J-Horror Theater, financed by seven entertainment companies with a goal to produce six horror movies by masters of that genre. Japanese film funds are reopening film financing to individual investors. The Japanese movie and TV industries are now collaborating and TV companies are establishing their own film departments. A prime example is Fuji Television. *Bayside Shakedown 2* is the biggest live action blockbuster in Japanese history, based on its popular TV series.

Further evidence of the sea change can be seen internationally. Japanese film directors are developing English language films. American film studios are once again eagerly remaking Japanese films. Hollywood is also recognizing the positive economics of indigenous films. The US studios are beginning to underwrite Japanese productions created for local audiences. Independent Japanese producers, as well as the larger media companies, are entering into more co-productions, both with the United States and Asian countries, in particular South Korea. Last year the Asian Film Commissions Network (AFCNET) was established to facilitate shooting throughout Asia. At the same time, Yagira Yuya of *Nobody Knows* won the best actor award at the 2004 Cannes Film Festival and Watanabe Ken is already an international star. Today, young American movie audiences are

finding out that their favorite horror movies (now the preferred genre in the global market – outpacing US-made action films) are based on Japanese films and are flocking to rental stores looking for the originals.

The Japanese government has taken a crucial role in revitalizing the content industry. According to Toyoda Masakazu, Executive Director of the Ministry of Economy, Trade and Industry (METI), “METI has identified this industry as one of the seven leading industries in the next decade.” Until very recently Japan lacked an integrated infrastructure sufficient to address the reality of the new converging sectors of the entertainment business, but as Toyoda points out “the Japanese content industries have high potential as an export industry, as well as a vehicle for Japanese pop culture.” As a result, the government is working aggressively to support the creation of new competencies and the transferring of traditional Japanese core competencies from the manufacturing sector to the content industry. Not only are major regulatory changes taking place, but there is increased financial support for local production, as well as for international promotion of film products. Last year the government sponsored the film market at the Tokyo International Film Festival. Clearly, the government is supporting new business alliances, locally and abroad.

Japanese educational institutions have joined this powerful alliance of government and private industry with a strong focus on expanded training in entertainment studies. Traditional universities such as the University of Tokyo, Tokyo National University of Fine Arts and Music and Doshisha University in Kyoto are re-envisioning their curriculum to meet changing realities. With enthusiastic support, including financial assistance by the government, they are providing training in the art, craft and business of entertainment for the global economy. For example, the newly created four-year Digital Hollywood University recently collaborated with

UCLA Extension to offer a training program for film producers.

The current collective efforts of Japanese industry, government and academia have made an excellent start in establishing a dynamic, sustainable and integrated entertainment industry which can triumph economically in the global marketplace. Nevertheless, in the 21st Century entertainment industry, the core value is creativity. Consequently, Japan’s on-going impact on the global culture will ultimately depend on the vision of young, passionate and courageous individuals – the Japanese filmmakers, whose stories will need to transcend national boundaries to influence the international community. These filmmakers must not only display cutting edge craftsmanship, but also convey the highly evolved Japanese aesthetic, spiritual foundation and artistic traditions which reflect the human condition in all its complexities.

Ideally, the Japanese government also needs to support independent production by providing tax and financial incentives. Additionally, private industry should, as suggested by Kitahama Satoshi, General Manager of Shinsei Bank, “support the creation of film funds to underwrite young Japanese content creators in all the new digital entertainment technologies.” And finally, there should be a national “entertainment education” initiative at the primary and secondary school levels to provide courses in producing, marketing, the craft of storytelling and Japanese film history. English, the international business language, should be taught as a spoken language. Most importantly, schools need to provide a creative environment for “risk takers” and entrepreneurs. Interestingly, these essentials for

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The Academy Award winning “Spirited Away”(left), and the blockbuster “Bayside Shakedown 2”

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succeeding in the entertainment industry were values promulgated as national aspirations by the Prime Minister’s Commission report of January 2000 on “Japan’s Goals in the 21st Century.” The commission emphasized the impact of globalization and the digital revolution, suggested the adoption of English as a second language, and affirmed that “the bedrock imperative is that the Japanese empower themselves as individuals... [and that] the talent, drive, ethical mores, aesthetic sensibility and wisdom of self-reliant individuals create the framework and dignity of a nation.”

These competitive values, combined with traditional Japanese values, such as collaboration and commitment to quality products and services among many others will provide the requisite foundation for the successful Japanese filmmakers of tomorrow. With the visionary collaboration of the Japanese government, the private entertainment business sector and educational institutions providing the support, the words of the poet Basho will certainly prove to be prophetic for the budding future of the Japanese entertainment industry: “A young shoot” can bear “beautiful flowers, growing upon an aged plum tree.” **J.S**

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