American Outlook

HOLLYWOOD GETS "NAPSTERED" ★ A NEW MARQUIS DE SADE

the Politics of Compassion

Irwin M. Stelzer  Amy Sherman  Herbert I. London

PLUS:

Common-Sense Conservation
More Trouble in the Balkans
Is the Republican Party Doomed?

Vol. IV, No. IV
JULY/AUGUST 2001
U.S. $3.95
CANADA $4.50
Published by the Hudson Institute
COVER STORY

THE POLITICS OF COMPASSION

Compassionate Conservatives Meet the Free Market ..................20
It's not a pretty sight—but it could be worse.
Irwin M. Steizer

Making “Charitable Choice” Work ......22
Despite fears of critics concerned about the civil liberties of both citizens and churches, faith-based organizations are solving social problems with a minimum of church-state entanglement.
Amy L. Sherman

Reinventing Civil Society ..............25
Shoring up America’s frayed civil society will require not just political solutions but a new respect for national symbols and moral norms.
Herbert I. London

BUSINESS AND THE ECONOMY

Celestial Cinema ...........................................28
E-cinema and cyber-entertainment are hastening the

Napsterization of Hollywood—and a thorough, radical transformation of our entertainment media.
Jonathan D. Little

Common Ground for Conservation ......34
We don’t have to choose between people and penguins.
Dennis T. Avery

SOCIAL CONCERNS

Beauty and the Enlightened Beast ......37
The roots of modern-day horrors are to be found not in superstition and ignorance, but in the perverse philosophical assumptions of the Enlightenment itself.
Arthur Pontyeni

Swept Away .............................................41
Unfettered immigration is rapidly shifting the ethnic and political balance of the United States. Republicans beware.
Peter Brimelow and Edwin Rubenstein

More Executions, Fewer Deaths? ......44
A new study suggests that the death penalty deters many more murders than most people thought plausible. A death-penalty opponent analyzes the evidence.
Iain Murray
E-cinema and cyber-entertainment are hastening the Napsterization of Hollywood—and a thorough, radical transformation of our entertainment media.

Jonathan D. Little

Telecommunications and mobile phone companies have invested billions of dollars in unprecedentedly risky long-term strategies based on their conviction that a large paying public will soon be clamoring for instantaneous access to high-quality moving pictures, music, text, and games via portable broadband wireless connections. Having only recently awakened to the likely impact of this technological development on the film industry, Hollywood’s media moguls now have to deal with a new phenomenon: the coming Napsterization of the film industry.

Just as the entire income base of the music industry is thought by some analysts to be threatened by music-swap software such as Napster and similar Internet sites, so, with soon-to-be-improved data transfer capabilities, could copyrighted films soon be easily stored, swapped, and duplicated over the Internet or other portable devices. On top of recent contractual woes between the Alliance of Motion Picture and Television Producers and both the Writers and the Screen Actors Guilds, the last thing Hollywood needs now is rampant Internet film piracy.

This fear is now especially acute because February’s court ruling prohibiting Napster from enabling the free flow of copyrighted music over the Internet has not solved the Record Industry Association of America’s (RIAA) copyright and income worries. A court ruling is one thing; putting such judgments into practice is quite another. Regardless of what happens to Napster, it is still quite easy for Internet users to download copyrighted material.

According to Wes Himes, director of the European Digital Media Association, the film industry is on the cusp of a new frontier, just as the music industry was three or four years ago. Yet the music industry hasn’t even come close to sorting out the Internet piracy issue,