Film

Who Owns Our Imagination?

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Artificial intelligence is becoming the foundation of the entertainment industry. Why filmmakers need not submit to the tech giants all the same – and why the AI flood could also be a great opportunity for cinema.

A guest essay by Martin Moszkowicz

In May I stood in Cannes in front of posters that read “Fuck AI”. Thierry Frémaux, the festival’s artistic director, had banned AI-generated films from the competition and placed himself demonstratively on the side of the artists. Yet down in the Marché du Film, the festival’s industry market, Kling AI was courting customers – the video generator of the Chinese Kuaishou group, which produces short film sequences from text prompts.

A few hundred metres from the protest posters, a sales company showed me excerpts from “Critterz”, an animated feature produced with OpenAI technology in nine months instead of three years, for less than 30 million dollars rather than the nine-figure sum customary in Hollywood. The industry protested against AI on the bel étage of Cannes and negotiated its use in the basement. That is not a contradiction. It is the state of the entertainment industry in 2026.

I have worked as a film producer for more than four decades, and artificial intelligence has long since become part of my everyday life. It runs alongside everything – in development, in production and post-production, in marketing, distribution and every area of communication and administration. It makes many things faster, some things better, and a few things possible for the first time. A good AI-generated screenplay, however, I have yet to read.

The question my industry is fighting over so bitterly – is AI a useful tool or a dangerous one? – leads in the wrong direction. AI is more than a tool. It is in the process of becoming the infrastructure of entertainment, revolutionising the way things are produced, distributed and paid for. A tool can be put down; infrastructure cannot. Whoever owns it sets the terms – for themselves and for everyone else. That is what the AI debate is really about: who will produce in the future, who controls the relationship with the audience – and who earns money from its emotions.

In autumn 2025, OpenAI launched Sora, a video app that generates short clips from text prompts; Disney wanted to invest a billion dollars and license more than 200 of its own characters, from Marvel to “Star Wars”. Six months later OpenAI shut the app down again – too few users, too high a compute bill. Disney walked away; not a dollar had changed hands.

Many in the industry filed this episode away, with relief, as a failure. In my view, that is a mistake. First, because the most powerful entertainment corporation in the world was negotiating there as the junior partner of a tech company. And second, because the revolution is not happening where everyone is looking – on consumers' screens – but in the production chain, where hardly anyone is looking.

The threshold between amateur and professional that protected our business model is becoming porous

The second season of Amazon's biblical series "House of David" contained 253 AI-generated shots. For the Argentine series "El Eternauta", Netflix had final scenes generated for the first time – by its own account ten times faster than with conventional effects. And the vice chairman of Lionsgate recently put the annual savings from AI at "many tens of millions of dollars". In the games industry, which outstrips the global cinema and music businesses combined, the same developments are running at full speed.

What is dissolving here is the order in which I have worked my entire professional life. It rested on scarcity: production was expensive, distribution was limited, and so a manageable number of companies decided what the world got to see – and I ran one of them.

That scarcity is now crumbling. From above: the new bottlenecks are called compute, models and data – and they belong not to us but to a handful of tech corporations. In her book "Empire of AI", the American journalist and author Karen Hao calls these corporations simply empires: entities that absorb other people's resources the way the colonial powers once did.

One need not follow Hao's polemic on every point to recognise this much: our catalogues, for decades the family silver of the industry, are raw material for these empires. The AI company Anthropic paid 1.5 billion dollars to settle a dispute over hundreds of thousands of pirated books in its training data – roughly 3,000 dollars per work. The settlements create facts faster than the courts can settle questions of principle.

Where this growing power of the AI providers can lead has been described by the Canadian-British author Cory Doctorow, using the evolution of digital platforms as his example: first they are good to their users; then they degrade the users' experience in favour of their business customers. They flood the feeds with advertising and push back the content users came for; in the end they squeeze the business customers too. Today the AI providers are in phase one and are generous to everyone. Anyone who watched publishers first courted by Facebook and then demoted to interchangeable suppliers can guess what lies ahead for studios, production companies, distributors and broadcasters that feed their catalogues into other people's infrastructure without dictating the terms.

The scarcity that has shaped the market until now is also under threat from below: the cost of producing films is falling through the floor. What cost two million yesterday will go for two hundred thousand tomorrow; the threshold between amateur and professional, which protected our business model for a century, is becoming porous.

The two horror blockbusters of this cinema year share a similar success story. "Backrooms", which grew out of a YouTube short a 16-year-old had created in his bedroom, took 81 million dollars on its opening weekend in the US. “Obsession”, the 750,000-dollar feature debut of a YouTube filmmaker, has already grossed more than 400 million dollars worldwide. The next generation no longer arrives via film school, festival short and first public grant – it arrives from a digital platform with an audience of millions behind it.

Every reaction from the audience feeds into the next production. Feeling becomes a metric to be optimised

How deeply AI is intervening in the structure of production itself can be seen in the vertical series made for smartphones. While many in Germany are still wondering how to get into this business at all, in China more than a third of the most successful of these formats are already machine-generated – a year ago it was seven per cent. In the US, YouTube now claims more television time than Netflix – Hollywood’s biggest competitor produces no films of its own; it has them produced, by billions of users, and soon by their machines.

Another shift is waiting on the horizon: AI agents that select and filter on their users’ behalf what is left to be seen at all. According to a global study by the agency group Dentsu, more than three quarters of consumers worldwide want an assistant by 2035 that sorts out advertising and offers for them. What hits advertising today will hit content tomorrow. Then content will no longer have to please people first – it will have to catch the attention of machines.

When Adorno and Horkheimer coined the term “culture industry” in 1947, it was a polemic. Today it is a product description. Nowhere can this be observed better than in China: in March alone, more than 50,000 AI-generated short series appeared on Douyin, the People’s Republic’s version of TikTok. The market is bigger than the entire Chinese cinema box office, and local governments subsidise production.

What troubles me about this is less the volume than the closed loop: every reaction from the audience feeds in real time into the next production. Feeling becomes a metric to be optimised. China shows where the attention economy is heading – but the same mechanisms have long been at work on TikTok, YouTube and Spotify, in the middle of Europe.

What this looks like in practice has been traced by the American writer Liz Pelly in her book “Mood Machine”: under the programme name “Perfect Fit Content”, Spotify pushed mood music by artists who do not exist – cheaply produced – into sleep and study playlists. At its competitor Deezer, more than half of all tracks uploaded daily are now entirely AI-generated. “Slop”, the English term for mass-generated content mush, was voted word of the year for 2025.

It is easy to dismiss all this with contempt. I read it as market analysis. The machine does not produce bad feelings; it produces works that evoke predictable feelings. The American cultural critic Kyle Chayka sees in it a global flattening of taste: everywhere the frictionless wins, the instantly pleasing. Generative AI accelerates this because it draws from the average of what already exists. Predictable feelings, however, are the exact opposite of what great cinema lives on.

The star, too, the emotional central sun of our industry, is currently being renegotiated. The star was always a construct; old Hollywood invented names, biographies, faces. That performers are altered digitally is something I have seen often enough in my own productions – entire runs of shots have come about this way; it has long been normal in the business. What is new is only that the construct no longer needs a body at all. Tilly Norwood, the “actress” of a London AI studio, attracted the interest of agencies before the union SAG-AFTRA made it clear: Tilly Norwood is not an actress; she has no life experience to draw on.

In early June, SAG members ratified, with more than 91 per cent, a collective agreement that permits synthetic performers only if they demonstrably offer “significant additional value” over a human being. With that, Hollywood has achieved what Europe has yet to: it has put a price on the machine. The deeper question, however, is not answered by any collective agreement. What are we buying when we buy a star – a face, or a liability? The human being on the screen is liable with their biography, their vulnerability, their mortality. The machine is liable with nothing.

And Europe? Owns neither the models nor the platforms nor the data centres. The continent’s most valuable media-AI company, Black Forest Labs of Freiburg, is valued at a good three billion dollars; Kling, the Chinese video generator, at 18 billion after its latest funding round.

We have brilliant specialists for voices, avatars, translation. But no data cycle of our own and no infrastructure on which our content runs on our terms. What Europe has are rules: mandatory labelling of AI content since 2 August, transparency demands from the European Parliament and, since the end of July, a Munich ruling that prohibits the music generator Suno from training on protected repertoire without a licence – the first European judgment that forces AI providers to license entire catalogues, even if they train abroad. But rules are no substitute for infrastructure.

It is not enough to make the platforms less terrible. We must make them less important

We regulate machines that others have built, with data they have taken from us. Doctorow reminds us that European competition law was drafted by the architects of the post-war order, who knew that fascism had relied on corporate power; limiting corporations was once a founding project of Europe. His maxim works as a strategy for our industry too: it is not enough to make the platforms less terrible. We must make them less important.

That the world needs a common framework for the development of AI is hardly disputed any more. It is demanded with particular vehemence by two camps that otherwise share nothing: the laypeople who understand nothing of the technology – and the developers who understand it best, because they build it. When the clueless and the initiated demand the same thing, that should give us pause.

Germany is not idle, mind you. The production sector has concluded with the unions the first AI collective agreement in the German film and television industry, and it is being renegotiated in these very weeks. The major broadcasters are building a joint “media data space”. In July, GEMA launched Plai, a licensed training dataset for AI music – lawsuit and licence from a single source. RTL is having new episodes generated from the material of old courtroom shows; one can praise that as pragmatism or read it as a writing on the wall, and it is probably both.

I understand anyone in this industry who, faced with shrinking budgets, has little energy to spare for questions of infrastructure. But it is precisely these questions that will decide whether in ten years we are still producers or merely suppliers to other people's platforms.

Models generate the probable. Culture, however, arises where patterns break

From politics, however, more must be demanded than from an industry fighting a rearguard action. Wolfram Weimer, the Federal Commissioner for Culture, accuses the AI corporations of "intellectual vampirism" and warns of a digital colonisation of culture. I share the diagnosis. Only, so far, nothing follows from it.

A strategy for how German content, catalogues and data can become capital rather than prey in the age of AI – licensing models, computing capacity for the creative industries, a coordinated European market for training data – does not exist even in draft form. Anyone who speaks of vampires ought to be building power plants, not handing out garlic. Outrage is no substitute for industrial policy.

That leaves the question closest to my heart: what will become of cinema? My answer is more confident than the findings would suggest, and it is economic, not nostalgic. The more synthetic content floods the channels, the more valuable the scarce becomes: the shared, physical, non-reproducible experience.

Cinema and concert tickets have recently been among the fastest-growing items in entertainment spending. Cinema is not the victim of AI. It is its counter-product: the place where the real becomes a commodity precisely because almost everything else can be generated. The machines themselves supply the argument. Models generate the probable. Culture, however, arises where patterns break. No predictive model would have recommended the films that changed us.

Ninety years ago, Walter Benjamin described what the work of art loses in the age of its technological reproducibility: its aura, the here and now of the original. In the age of its technological generability, the aura returns – as a business model.

Werner Herzog has called AI films "soulless", and I understand anyone who takes comfort in that verdict. But as comfort it is too cheap. The soul does not enter a film by itself just because a human being made it; human beings, too, shoot a great deal that is soulless. It enters when someone risks something. The machine lowers the cost of making, not the cost of daring. The financial risk may fall with the budgets – the artistic risk only becomes more visible as a result, because no one can hide behind the effort any more.

This is not a choice between resistance and submission. It is the task of appropriation. We must build our own data and audience relationships instead of merely delivering content. We must license our catalogues, on our terms, instead of watching them being digested without being asked. And we should bring the machine into the creative process early – as a sparring partner, not as a metronome.

The decision to make the idiosyncratic thing against all probability remains our monopoly. The machine can by now generate almost any form. Meaning it does not yet generate. As long as that is so, I will produce films by people for people – with every machine that helps.

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