

University of Film and Theatre Arts

Graduate School

Summary of DLA Doctoral Thesis

Studies of International Production

Film Financing and Film Policies

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The aim of the thesis is to provide an overview of European and national film policies, and of the various aspects of the way film funds function. The procedures of European integration have amalgamated into the century-long goal of Hungarian modernisation. The economic and political necessities of the changes in 1989 have offered merely distant and mysterious aims and ideals to the changing institutional system. The basic political agenda of the change of the regime – democracy and a rule of law – became reality; its goals relating to economic and social agendas (including film and media policies), and converging to Western countries, however, are still only partially accomplished.

In 2004, when we joined the European Union, we experienced that our multi-layered identities as Hungarian and European citizens are accepted by Hungarian and European laws. The first Hungarian film law took effect, and our participation in European co-operations seemed to solidify. In 2011 a new „change of film regime” took place, nevertheless it occasionally looks as though we were further away from our common European values than ever. How is it possible that a section of a field had worked better earlier, even in worse financial or more difficult political circumstances? Beside providing constructive criticism in this specialised field, I also emphasize the progression towards valuable goals in the thesis.

This value-based argumentation is supported by citations from and examples of EU funding contracts and professional commendations of a European level. I refer to classical and canonical works of European cultural history, philosophy and theology in connection to European values. I begin to explore the subject of the professional policies by analysing notions of film statistics and basic processes linked to film economics. I continue by examining the data and numbers that are the true indicators of how effective particular film funding policies are, from the perspective of European recommendations. In the first chapter I also provide an analysis of the role of television and other media outlets within the European film funding system.

American conglomerations, originally funded by Europeans, and having grown into giant, global corporations, are balanced by quotas, funding systems and other regulations in Europe, in an attempt to prevent them from abusing their advantageous positions and creating a homogenous, potentially mono-policied and oligo-policied film and media market in Europe. After outlining questions of European national film policies, I provide an overview of the major principles, regulations and programmes of the European Union’s audiovisual policies. I analyse the function of the common European film fund, Eurimages, and various aspects of the relations between Eurimages and member states. I also refer to the interrogation of the controversial question of national funding of foreign employment from European and national perspectives.

In the chapter outlining and analysing the function and anatomy of film funds, which provides the principal argumentation of the thesis, I attempt to offer a comprehensive overview of European funds, not shying away from mentioning sensitive (for instance ethical) issues. The moral aspect, and the business and public trust are closely linked to aims and tendencies such as increasing productivity, or an increase or decrease in efficiency. I would like to present an overview of how an institution could ensure the effective and democratic function of film culture within regional, national and international contexts by comparing international examples. In the last sub-chapter I analyse a Hungarian feature film made as a Hungarian-

Austrian-French co-production, aiming at pointing out the significance of such co-operations, and creating similar personal and professional relations.

The thesis is divided into four main chapters and thirty-two sub-chapters.

The four main chapters are:

- I. Strategy-making for National Film Policies
- II. Audiovisual Policies of the European Union
- III. Functioning of Film Funds
- IV. International and Regional Co-operations

The main arguments of the thesis:

Chapter I

Strategy-making for National Film Policies

I argue that in order to achieve successful results in film economics and film culture, a strategy-making is needed that takes into full account national interests via a European recommendation system. Due to having to adhere to interests of a national economic and cultural nature and to the European recommendation system enabling these, national film policies have to rely on setting goals with clear indicators within a realistic time scale. In my thesis I outline what these indicators are. I analyse what achievements and what failures the Hungarian film funding system has made according to these indicators. I summarise the European recommendation system linked to national film policies, and outline its history, its notions and its basic principles (Copenhagen Think Tank, Film Policies Conference Krakow). I analyse in what aspects Hungarian film funding adheres to these, and in what aspects it contradicts them. As media providers are one of the principal beneficiaries of film funding, and are often considered rivals to cinema, they need to take part in supporting film culture. I outline and analyse the obligations of European public and private television channels to support cinema, specifically pointing out how Hungarian media takes part in this.

Chapter II

Audiovisual Policies of the European Union

The principal aim of the EU is to increase the marketability of European film, as opposed to the American influx of films, while also maintaining and protecting multicultural values. I

outline and compare EU and US interests in the film sector, and examine the principal aims of EU audiovisual policies. I examine the relevant core points of legal documents supporting EU film funding policies (Television Without Borders Directive, Audiovisual Media Services Directive, Maastricht Treaty). I outline EU film funding programmes, I analyse the function of the common European film fund (Eurimages). I explore the issues of service productions and of tax concessions from American and European perspectives, and I also outline an analysis of the materialisation of Hungarian film cultural interests.

Long-term economic growth is not indicated primarily by state support, but by a growth in economic efficiency. The framework of a solid and reliable rule of law that permits the development of creativity is required in order to achieve this. Effective state interventions, as well as effective and fair state supports are needed to enable it. In order to achieve these goals Hungary's main interest (and obligation) would be to offer bigger support to high cultural and creative input by valuable Hungarian artists and Hungarian film producers in the industry (as well), than American productions. This would also enable it to achieve European goals of filmmaking: marketability, protecting national cultural values, and supporting multiculturalism.

Chapter III

Functioning of Film Funds

I analyse in detail the European film funds: their fields of activity, their types and classification according to categories. I examine in detail the democratic legal basis, also outlined in the principal European legal documents (Constitutions, Charter of Fundamental Rights), which are based on traditions of European cultural history, and the Christian value system, and I analyse how these can apply to the everyday functioning of film funds (the question of appointments, professional and public social control, non-professional participation and the question of governing bodies). I am primarily using the example of Eurimages to outline the validity of film fund applications, and the criteria for the selection process; furthermore, I also analyse the differences between various schools of film synopses. In connection with the questions of financing film funds, I outline the main variants of film funding contracts (subsidy, conditionally repayable loans, subsidised loans, etc.), and I briefly summarise the relevant questions of international distribution. I introduce and compare sources of European film funds and their various systems of control. I outline the role of banks in European film financing. I analyse the question of conflict of interest when thinking about ethical issues within film funds. I briefly mention the connection between sustainability and the functions of film funds, the principles and practices of green productions.

According to my thesis, the more a film fund adheres to the aforementioned European cultural and legal principles and common professional recommendations, the more useful its role is going to be within supporting a financially and economically beneficial national film culture.

Chapter VI

International and Regional Co-operations

I outline the categories and priorities of co-operations from a Hungarian perspective as well, in connection to international and regional co-operations within the European film sector and film funds. I analyse the various forms of obligations for localised spending (territorialisation) within Europe. As an example, I outline the German-French bilateral co-operation, and the possibilities for Central-European multi-lateral co-operations. I examine in detail the financing of a Hungarian-European film co-production: *Taxidermia*.

According to my argumentation, the regional and international relations of film funds require specialised attention and professionalism. Just like funding policies, networking is also goal-oriented, and has to function within transparent and accountable frameworks, according to its achievements. In case of Hungary, a successful and stable film economy and film culture can be achieved by co-operating with neighbouring countries, within Hungarian regions and specific inter-regional border co-operations, and by taking a firm stand for national interest within a European context. Establishing Central-European regional educational, distributional and production networks – potentially based on some successful elements of the German-French example – may be needed in order to achieve the desired goals. I argue that beside national film production, European co-productions are also of significance within Hungarian filmmaking, therefore I outline and analyse the financing and historical context of one such production.

In the appendix I first present the thoughts on European television co-operations of German Law Professor, Jobst Plog, who has worked as the director in general for various public European television channels of high standard; which is followed by a speech by David Puttnam. Puttnam, who had been a producer before turning to politics, and who published a volume on the struggles between American and European film, from a historic perspective; this, as well as his speech in Copenhagen have been one of the inspirations for my thesis. I conclude the thesis, therefore, with the first Hungarian translation of the speech outlining a hundred years of world film history, and analysing the psychological aspects of films and their viewers.

Prior publications on the subject

„Case Study – The Production of Taxidermia”, in: *The Fine Art of Co-producing* (second edition), Copenhagen, Per Neumann Publishing, 2007.

„A filmipari Airbus esélyei”, in: *Heti Világgazdaság*, 2006, volume 21.

Productions

Donkey Xote, Hungarian-Swedish short film (producer)

Director: Ottó Bánovits

Won „Best Picture” at the 47th Montreal International Film Festival, 2016

Television broadcast: Duna Television, 2016

The Beautiful Spy, German-Austrian-Hungarian TV movie (co-producer)

Director: Miguel Alexandre

Premier: ARD 2013, ORF 2013

In the Land of Wonders, Croatian-Hungarian feature film (associate producer)

Director: Dejan Sorak

Premier: Pula International Film Festival 2009

Repas de Noël, French-German sketch-film (co-producer)

Directors: Thomas Rio, Alexia de Oliveira Gomes, Friederike Jehn, Juliette Soubrier

Premier: San Sebastian International Film Festival 2004, ARTE 2015

Örök tavaly, mid-length feature film (director, co-writer, co-producer)

Premier: Hungarian Film Week 2001, RTL Klub 2001

Örökmozgó Filmmúzeum 2008, Petőfi Irodalmi Múzeum 2013